Foreign Broadcast Information Service

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ANNIVERSARY

1941 - 1991

# Daily Report

# East Asia

FBIS-EAS-91-216
Thursday
7 November 1991

# Daily Report
## East Asia

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## PRC Freezes South China Sea Territory Claim

*BK0711014191 Bangkok THE NATION in English 7 Nov 91 p A2*

[By Kawi Chongkitthawon]

[Text] China has agreed to freeze its territorial claim in the South China Sea as part of a confidence building measure in the region.

"China has put aside the issue of sovereignty at the present time and to jointly develop the disputed area," Dr Carolina Hernandez said at a press conference yesterday.

Hernandez was one of panellists answering questions on the outcome of the three round table discussions on the "Prospect for regional security cooperation in Southeast Asia in the 1990's," which ended yesterday.

Several countries including Vietnam, Taiwan, Indonesia, the Philippines and Malaysia have staked claim over the disputed islands in the South China Sea.

According to a conference source, ASEAN countries view China's compromising position as a contribution to regional peace and security.

The round table discussed future security cooperation among ASEAN countries and the need to help Indochina, especially the reconstruction and rehabilitation of Cambodia as well as the need to strengthen the conflict-avoidance mechanisms in the region.

Academics and government officials from ASEAN and Asia-Pacific also touched on the role of extra-regional powers such as the US, Japan, China and the Soviet Union. They agreed that the US-Japan security alliance is crucial to regional peace and stability.

"Any effort to change this alliance will bring more instability to the region," warned Yukio Sato, director general of the Japanese Foreign Ministry's Information Analysis Bureau.

Sato said the existence of this alliance has functioned as a political stabiliser rather than military containment in the region.

Sarasin Wiraphon, Thai ambassador to the Philippines, said that given the new political situation, it is essential to envision what kind of new regional order will emerge based on the changed security conditions. "It is universally held that conflict is anathema and that peaceful cooperation for the common good is the order of the day," he said.

## East Asian Regional Economic Symposium Opens

*SK0711063191 Seoul YONHAP in English 0613 GMT 7 Nov 91*

[Text] Suwon, South Korea, Nov. 7 (YONHAP)—A symposium on the East Asian economy opened Thursday at the Kyonggi Provincial Cultural and Art Center in Suwon with some 380 economists and businessmen from nine Asian nations attending.

Sponsored by the Kyonggi Provincial Government, the symposium will seek co-developmental measures and discuss pending issues under the theme of "Changes in the International Economic Order and Economic Cooperation in the East Asian Region in the 21st Century".

After the opening ceremony, Yi Pom-chang, president of Kia Motors Co., Professor Masaru Saito of Japan and former Foreign Minister Ghazali Shafie of Malaysia gave key-note speeches.

There were discussions on the export marketing development strategy of medium and small enterprises and the role of local governments in the afternoon.

On the second day, the topics will be exchanges of technology and resources, electronics and mechatronics, and commerce and trade.

Participants are scheduled to visit the Suwon factory of Samsung Electronics Co. and Yongin Folk Village on Friday.

Japan, Taiwan, Hong Kong, Singapore, Thailand, Malaysia, Indonesia and the Philippines sent delegates to the meeting.

## South Pacific Conference Closes in Tonga

*BK3110133791 Hong Kong AFP in English 1308 GMT 31 Oct 91*

[Text] Nuku'alofa, Tonga, Oct 31 (AFP)—The 31st South Pacific Conference ended here Thursday without a solution to the long-standing debate over where the Pacific Commission's new headquarters should be located.

The ministerial delegates from 27 countries and governments failed during the six day conference to find a solution to the thorny issue which took on a political dimension with Fiji accusing France of wanting to expel the commission from its current location granted under international treaty.

Fijian trade minister, Berenado Vunibobo, also slammed other delegates for "giving in to pressure from a major power which claims to want to enter a new era in its relations with countries in the region."

The commission is currently located in Noumea, the capital of the French territory of New Caledonia, on a site local authorities want to redevelop for tourism.

Late Tuesday Fiji made a last minute offer to host the new headquarters and to finance its construction.

France and New Caledonia had previously suggested the headquarters move to a new location in Noumea, with the two putting up 85 percent of the cost of new buildings.

Following Fiji's offer, delegates refused to take a secret ballot on the issue and instead put off a vote until an extraordinary ministerial meeting in March in French Polynesia.

The conference also discussed the commission's financial deficit which in the last year have forced the cancellation or reduction of some of its programmes.

The commission's secretary general, Atanraoi Baiteke, linked some of its problems to its location, saying the "poor conditions in which administrative staff had to work" were partly to blame.

The conference also looked at a number of proposals to improve telecommunications in the region by the use of satellites and the problem of rising sea levels caused by the "greenhouse" effect, of particular concern to some of the low lying islands in the conference.

Also studied were the problem of drifnet fishing with the conference agreeing to fully back efforts within the United Nations to pass a resolution by June next year ending the practice.

The 32nd conference was set for October 1992 in Fiji.

## Japan

### Bush Postponement Upsets Miyazawa's Travel Plans

*OW0711091591 Tokyo KYODO in English 0806 GMT 7 Nov 91*

[Text] Tokyo, Nov. 7 KYODO—U.S. President George Bush's postponement of a visit to Japan has thrown into disarray Prime Minister Kiichi Miyazawa's overseas travel plans, top government spokesman Koichi Kato said Thursday.

"All of our overseas scheduling was based on the supposition that Mr. Bush would come to Japan at the end of this month," Kato told reporters.

Chief Cabinet Secretary Kato said that planners were still scrambling to respond to the unexpected cancellation Wednesday of Bush's Asia-Pacific tour so that the U.S. President could stay home to mind domestic issues.

Officials here say Bush is unlikely to make the visit within the year.

Kato said later he does not expect the worsening economic situation in the United States that apparently prompted Bush to stay home to spur trade friction with Japan.

"Our trade surplus with the United States is not expanding so much, so if both countries cooperate in resolving the problems, I think relations will not sour," Kato said in an interview with KYODO NEWS SERVICE.

"I don't believe that there will be more demands to take a hard- line stance toward Japan," Kato said.

Bush had been unofficially scheduled to arrive in Japan on November 29 for a three-day visit.

### Watanabe, Canadian Trade Minister Discuss Issues

*OW0711132591 Tokyo KYODO in English 1240 GMT 7 Nov 91*

[Text] Tokyo, Nov. 7 KYODO—International Trade and Industry Minister Kozo Watanabe and his Canadian counterpart, Michael Wilson, pledged Thursday to make all political efforts to bring the Uruguay round of trade talks to a rough agreement within this year.

Wilson, minister for international trade, and Watanabe discussed the problems of unilateral trade sanctions such as the Section 301 of the U.S. Trade Act, said officials who attended the ministers' meeting.

Watanabe said such unilateral measures should be abolished, and stronger dispute-solving rules must be created under the General Agreement on Tariffs and Trade (GATT.)

Wilson reportedly agreed, saying that Canada is also concerned about misuse of Section 301 by the United States.

Wilson took up the bilateral market access issue and appealed for reciprocal removal of import tariffs on products in the areas of agriculture, forestry, fisheries and nonferrous metals.

Watanabe reserved definite comment, saying simply that Japan will consider lifting tariffs on nonferrous metals, the officials said.

### Prime Minister Miyazawa's 6 Nov News Conference

*OW0611111891 Tokyo NHK General Television Network in Japanese 0600 GMT 6 Nov 91*

["First" news conference by Prime Minister Kiichi Miyazawa with the Cabinet Press Corps and unidentified reporters at the prime minister's official residence in Tokyo—live]

[Text] [Dean of the Cabinet Press Corps] First, we offer our congratulations to you on your inauguration. Since this is your first news conference with the Cabinet Press Corps, the dean will first ask questions on your basic tasks in the areas of domestic and foreign policy, and, after you have answered them, we will move to questions from the floor. This is the way I would like to proceed with this conference and I seek your cooperation....

[Miyazawa, interrupting] May I speak a few words first? I was named prime minister yesterday and am to assume weighty responsibilities. I also seek your favor. As I see many familiar faces here, I feel reassured; I ask for your favor. Go ahead, please.

[Dean of Cabinet Press Corps] Well, I would like to begin by asking you about the Miyazawa cabinet's political posture. In what way are you going to carry out the Miyazawa government? That is my first question.

[Miyazawa] I think I want, first of all, to establish the goals and orientation of my government clearly. It is a known fact that the world, at both the visible and the behind-the-scenes levels, is undergoing great convulsions. However, if you say this is merely a post-cold war era now, you know something has ended but you are not saying what is going to begin. Therefore, I think I want to perceive this as an age in which the building of a new world order of peace has begun. This was the case during the Gulf crisis, and I think that the Cambodia issue may also prove to be such a case in due course, too. However, the role of the United Nations is expanding, and I think that we must consider ways to contribute to that end from the perspective of the age. Therefore, I think we must consider our contributions toward the Gulf crisis, or the Peacekeeping Operations [PKO] Bill—which is an issue now, from just such a perspective, and regard the so-called aid to the Soviet Union as part of the effort to build a new order of peace. I think it is most important that we think this through with the people and, together

with them, understand the goal and purpose of whatever we undertake, and then move ahead together.

Second, public confidence in politics must be increased. One of the reasons for this is that our so-called political reform, to which Mr. Kaifu devoted all his energies, must naturally be conducted to the end. If a feeling that people who work hard are left behind pervades society, as seen in the so-called bubble phenomenon, a sense of solidarity or security in society will be greatly hindered. It is politics that should pursue equity in this respect. Otherwise, I think public confidence in politics will not increase at all.

Third, I have some individual problems, like the replenishment of the so-called social overhead capital, and [constructing] a livelihood superpower *[seikatsu taikoku]*, which I have been putting up as my policies. I think I want to clearly show the people the goal and direction of my policies and move ahead together.

[Dean of Cabinet Press Corps] Upon finishing the cabinet's formation yesterday, you completed the appointments of the party and cabinet portfolios for the new Miyazawa leadership. However, during the course of being elected Liberal Democratic Party [LDP] president, it was said that you were under the control of the Takeshita faction. Although your new government takes the form of an all-party system, do you think it will really be possible to create a so-called all-party system from now on? I ask your thoughts concerning this point.

[Miyazawa] Certainly the three candidates were allowed to conduct a very fair and open election in the presidential campaign, and I think this turned out to be a very good thing for the party. I also enjoyed support from all quarters. These were the circumstances. The election was conducted fairly in an open manner, and fortunately I was elected president. However, as I said during the election campaign, believing that it is my duty as party president and my duty as prime minister, I think I will have to strive to help everyone unite and maximize the total strength of the party as weel as to make personnel appointments.

[Dean of Cabinet Press Corps] My question more or less concerns the same issue. Mr. Prime Minister, during the presidential election you maintained that very strong leadership is needed in politics, as you mentioned at the beginning. Now, in your capacity as prime minister, in what way are you going to display your leadership? I want to ask you about your basic view of leadership.

[Miyazawa] I am scheduled to deliver a policy speech to the Diet the day after tomorrow. At the cabinet meeting this morning I had all my ministers express their various views concerning the policy speech. As I stated at the beginning, this speech, as a matter of fact, specifically states my perspective on the age and the direction and goal of my policies. I want to obtain the agreement of all my cabinet members on this and have them display leadership. If we achieve this kind of agreement—since they are all very competent—it will be possible to have them unite as one body and strive to achieve the political goal in that direction. I think I want to have leadership demonstrated that way.

[Dean of Cabinet Press Corps] This has already been reported by the press. However, in the latest personnel appointments, so-called Recruit-tainted and Lockheed-implicated Diet members have entered party and cabinet posts and will participate in the future affairs of the state. It is said that this situation will become entangled with the issues of public distrust in politics and political reform. I would like to ask you once again to reveal your basic view on this point.

[Miyazawa] Since this is the first time to meet with you after assuming this new job, I think I want to first apologize for my own personal affair. Throughout my long political career I meant to be very careful, but I was very remiss in connection with that matter. Even now I feel sorry having upset the people. I think I must continue reexamining myself throughout the rest of my life in order not to repeat the same mistake. I believe it likely the other people who have joined the cabinet share this thinking. But, politically, we have obtained the people's confidence through elections. For my part I think this confidence means that the eligible voters want us never to repeat this mistake and to work once again with a reformed mind. I intend to carry out my work with this kind of frame of mind, and I think that other cabinet ministers feel the same way as I do.

[Dean of Cabinet Press Corps] My question concerns another basic issue. There has been progress in debates on the so-called peace Constitution, centering on whether the Constitution should be defended or be revised. What is your basic view on this point?

[Miyazawa] The role of the United Nations has been enlarged in terms of the effort to build a new order of peace, which I mentioned earlier. That we contribute as much as possible to that end, I think, agrees with the spirit of international cooperation stated in our Constitution. I think that what was conceived as desirable at the time the Constitution was instituted is turning into a reality now, some 40-odd years later. Therefore, I think that our international contribution along that line accords with the spirit of our Constitution.

[Dean of Cabinet Press Corps] [words indistinct]

[Miyazawa] I can hardly hear you.

[Dean of Cabinet Press Corps] Alright. Earlier you said that political reform is the number one task facing your domestic administration. During the presidential election you expressed the hope that a conclusion would be reached in roughly one year. Presently there are various views on what this conclusion should be like. I would like to ask you what you envision in this regard.

[Miyazawa] As I said before, in attending talks with other parties, I think our party wants to hold consultations, using the bills that cover the three issues which

were submitted at the last Diet session, as a basis for discussion or as a basis for a starting point. Since this comprises consultations with other parties, it is important that mutual trust is formed. Therefore, it is my desire to ask for debates using those bills introduced during the last Diet session as a starting point, while fostering a feeling of mutual trust. I talked about one year because this is not an issue that can wait forever to be resolved and because, in essence, the matter itself requires urgent resolution. At the same time, higher courts and the Supreme Court have made their various views known, and we all know that this issue cannot be left to take its own course indefinitely. Therefore, in that sense, I think there should be a time limit of approximately one year. From this persepective I think I want to ask for consultations.

[Dean of the Cabinet Press Corps] You have just said that the three bills will be taken as a starting point. However, according to our analysis, it seems that you supported a somewhat prudent stance regarding the introduction of a single-seat precinct system. Are you saying that you are thinking about the issue by considerably expanding your choices?

[Miyazawa] In this regard there were also undoubtedly various opinions within the party. However, as a result of party discussions, the decision was made to submit the bills to the Diet. I think the opposition parties also have something to say. Therefore, in my opinion, it is better for us this time to take the bills as a starting point when we start discussions; we cannot start discussions without a base.

[Dean of the Cabinet Press Corps] As you have mentioned, this issue cannot be left unsettled indefinitely because of the decision of the Supreme Court. Conversely speaking, some people in the party are saying that reaching no conclusion is also a conclusion, so the issue of redistribution of Diet seats should be dealt with as soon as possible. Moreover, some people are arguing that this issue may restrict the prime minister's so-called supreme power—the right to dissolve the Diet. Can you comment on this?

[Miyazawa] Well, to tell you the truth, the issue of the redistribution of Diet seats is not an easy matter, and we may realize this when we try to tackle it. We may be asking ourselves if there are no other alternatives; I think it will be trial and error. Thus, I belief it is better for us to start with the idea of government rather than abruptly tackle the issue of Diet seat redistribution. Moreover, regarding your question on whether or not the right to dissolve the Diet will be restricted, I do no think this is legally true.

[Dean of the Cabinet Press Corps] The Diet session has already begun, and it seems that negotiations with the opposition parties at the Diet will be the task for the time being. What is your fundamental policy on Diet management?

[Miyazawa] I think the opposition parties are of great importance in terms of democratic and Diet management. I also think that decisions are made at the Diet not by the ruling party, but rather through discussions between the ruling and opposition parties. Therefore, we have to listen very seriously to opinions of the opposition party members. Lately it seems that the members of the opposition parties are also paying careful attention to the movement of public opinion. As noted when the issue of $9 billion was discussed during the Gulf crisis, or at the time when we revised the consumption tax, many members of the opposition parties are hoping to have joint-discussions, although there are both pro and con arguments on this point. This is something on which the ruling party has to place much importance. This is my principle view.

[Dean of the Cabinet Press Corps] My next question may be related to what you just mentioned. Some people are considering a reorganization of the political world after the Lower House elections. In other words, some people are saying that a reorganization of the political world should be undertaken soundly after a shake-up Mr. Kanemaru has described. What is your view on this?

[Miyazawa] This is both an old and a new issue. I think Mr. Kanemaru has very big plans for the future, and it is very important to have a future plan. What we should never forget is....[changes thought] As the chairman of the Socia! Democratic Party of Japan says, there are various views and difficult problems—for example, how quickly it will be put on the agenda. Thus, my view is that this is an issue which constantly has to be kept in mind as a plan.

[Dean of the Cabinet Press Corps] The next question concerns economic issues. As a result of the collapse of bubble economy, a drastic fall in tax revenues is expected. Please explain your plan on specific measures to secure revenues in next year's budget, particularly in reference to a possible tax increase, for instance the consumption tax, which a tax review committee is said to be studying.

[Miyazawa] The economy has slowed down lately. The flow of the economy, which has contributed to an increase of revenues for the past few years has certainly begun to change. I agree we cannot look ahead at tax revenues with optimism. Even though it is still too early to make a prediction, this [tax revenue fall] can happen as early as this year. Should that be the case, I think the outlook for next year can be even more pessimistic. If this is the case, I think we have to strive to cut down on low priority expenditures. But even when such actions are taken, there will still remain a considerable need to issue and make the most of construction bonds—for instance, to keep promises to the United States or to appropriate funds for disasters.

Nonetheless, I believe we must not think about going back to the system of issuing so-called government bonds to supplement annual revenues—bonds which have

finally been done away with. After all, we must not readily think about increasing taxes unless we are sure we can gain the understanding of the people on it. This is what I think.

[Reporter] This is in connection with the earlier question. In the Japan-U.S. Structural Impediment Initiative [SII] talks, Japan pledged to invest 430 trillion yen in public works projects. Given the financial situation, what is your specific plan on the implementation of that pledge?

[Miyazawa] I think that the pledge on 430 trillion yen must be implemented with sincerity. To a man like me who considers social overhead capital improvement important, regardless of whether there is a pledge or not, this is the task: to do what we can toward this end. Besides the 200 billion yen related to the people's improved living, there are discussions under way about creating a framework of another 200 billion yen for expanded public works investments. Of course, in this case, we must make sure that the expenditures must be for high priority projects. What have been pledged must not go unfulfilled.

[Reporter] Prime Minister Miyazawa, you are known as a positivist. What is your policy to deal with the economic situation and finance?

[Miyazawa] Basically, as I said earlier, the policy may be summarized as the improvement of social overhead capital and the implementation of the pledge to the United States.

Domestically, there are so many projects to be done. In addition, there is the question of Japan's international contributions—contributions expected of Japan. In the world there are only a limited number of countries which can afford to make financial contributions.

We must be careful about inflation rising in the Japanese economy. To the extent that inflation is not engendered, we must make what efforts we can to continue to grow, centering on the domestic demand. This is basically what I think.

After all, we are talking about economics. In economics, there are times when potentials for growth are high and when they are low. We cannot expect the economy to go at a single tempo. Basically, this is what I think.

Concerning your question on the current economic situation, there is no doubt that economic growth has slowed. I think among those concerned, including financial authorities, there are not many differences in the view that the tempo of economic expansion has fallen. The financial authorities, as such, have sought to bring down long-term and short-term interest rates, and, as a result, lending rates have come down. From these perspectives, I think there are no basic differences on the understanding of the situation. Therefore, as far as financial policy is concerned, I think for now it will be fine to let the financial authorities take charge.

[Reporter] There are voices calling for an early cut in the official discount rate. What is your view on that?

[Miyazawa] I gave an answer to that a little while ago, thinking you were asking about just that. [chuckles from reporters] Since there are no major differences in the basic understanding of the situation, I think the issue can be left to the financial authorities for the time being.

[Reporter] Prime Minister Miyazawa, you often use the expression: a nation great to live in. What specific plan do you have in order to implement the goal of building a nation great to live in?

[Miyazawa] There is this 200 billion yen already being used in connection with the improvement of people's living conditions. And there will be more emergency funds for use in the public works projects, too. One of the things we will have to do is to readjust shares of funds assigned to projets so that important ones will get bigger shares, even though the readjustment will not be very easy. Projects for the so-called recreation of old home towns [furusato sosei] will be helpful toward the goal. Third sector projects in local areas utilizing funds from revenues of Nippon Telegraph and Telephone Corporation will also be a contributing factor. Even though there are some problems in borrowing funds from local areas, there are some other means available—in budget and other forms.

[Reporter] Now I would like to ask you about foreign affairs. First, what about Japan-U.S. relations.

[Miyazawa, interrupting] I cannot hear you well. I am sorry.

[Reporter] President Bush's visit to Japan has been canceled or put off on the grounds of the domestic situation. He has fallen into a very difficult position of being forced to call off a diplomatic visit to Asia shortly before departure. What is your view on this situation?

[Miyazawa] A little past noon here today, a telegram arrived from Mr. Bush to me. What it says in essence is that the schedule of U.S. Congress is not firm, and that there is no choice but to postpone the visit since his original itenerary and the Congress schedule clash. The telegram adds that he has to make the decision now, believing that if he mades the decision later on, it would further inconvenience me. He asks for my understanding with regrets. He says he cannot say at this point when the visit will take place, but would like to make efforts to realize it at the earliest time convenient for both sides. He offered an apology for the inconvenience caused. That was the gist of the telegram.

I am only guessing, and hence could be wrong, but, judging from news reports on talks among Congress leaders, there is this issue of benefits for the unemployed. This is an issue about which the voters are very much concerned about. There is also the question of tax reduction. I think there are conditions in congress which make it impossible for him to leave the country. Again,

this is just a guess. I regret it, but there is nothing we can do about it, and I hope he will be able to make the visit soon.

[Reporter] With respect to Japan-U.S. relations, while there is mounting dissatisfaction in the United States about the way President Bush runs economy, it is foreseen that tension will grow between the two nations in the economic area. For instance, there now is talk again about applying sanctions under the Super 301 provisions. What is your analysis and judgment on the current state of Japan-U.S. relations?

[Miyazawa] To talk about the analysis, Japan's surplus with the United States is not growing. Even though it is not decreasing conspicuously, it is not increasing either. But with the condition of the United States' foreign deficit improving considerably, Japan's part in the deficit is growing proportionally. I think that is what is happening. That being the case, even though there has been improvement in the deficit condition in the United States, when it wants further improvement, it finds that Japan is to blame for the biggest part of the deficit. This kind of thinking is easy to make, and that is why the talk about applying the Super 301 provisions appears.

Actually, the analysis also shows that exports of consumables from Japan for the past several years—to see from the automobiles or television sets—have decreased because these products are increasingly made locally in the United States. In fact, production goods, capital goods, machinery, and so forth are the major part of Japan's exports to the United States, and these are the staple of U.S. industries. The situation in general is that U.S. industries cannot do without them. That means that only those products that cannot be reduced are continuing to be exported. I think this is the current condition. Japan has made great efforts on its part, and the United States also has made efforts. Its overall trade imbalance is going to improve considerably—from about $100 billion to about $60-70 billion this year. But I think there is the difficult situation of the U.S. industries needing to use the goods imported from Japan in their production. The two countries have to mutually understand this need.

Another likely point of contention in the future is the export of automobiles and auto parts. They make up a big proportion—said to be 60 or 70 percent according to statistics—in the U.S. deficit with Japan. Is there anything we can do about that?

Well, for instance, if Japanese companies—I think they should not be called Japanese companies, and they really are U.S. firms making automobiles in the United States, some call them transplants [preceding word in English]—want to buy parts there, but they cannot get what they want, they could, however, work on a long-term basis and begin from the designing stage to have their parts made. What we should think about is that just as Chips [as heard] did, these companies could begin with what is called a design-in [preceding word in English] to buy parts from the United States. In fact, there are calls for such a course of action. I think local procurement can be increased in that manner. I have no doubt that studies and efforts are necessary.

[Reporter] The next question is about the issue of liberalizing the rice market. There will be the Uruguay round of talks toward the end of the year. Voices currently calling on Japan to accept tariffication as a way of opening the rice market are expected to get stronger. Do you have any specific plan for solving the question of rice import liberalization?

[Miyazawa] This has to do with the Uruguay round of talks. It is possible to think that the talks are not now at the final stage. I think Japan, together with other major nations, must make efforts so that the talks are concluded successfully before the end of the year. The talks must not end in a failure.

As far as the farm issue is concerned, meanwhile, there are other concerns. For instance, in the case of the United States, there is a major question of whether it will really do away with its waiver clause. In the case of the EC, there is the problem of floating surcharges. Nations, including Japan, have difficult problems of their own. As far as rice for Japan is concerned, I think we must make every effort possible, looking for a solution based on the basic position pursued by us in the past and also on the position of mutual cooperation.

The concept of so-called tariffication has existed among GATT experts for some time. The idea is that if obstacles to trade are expressed in numbers or in the form of tariff duties, the extent of the obstacles will become clear and a way to lessen them will emerge. Theoretically, the idea is clear. But then, for instance, how can the floating surcharges be expressed in numbers? Or how can waiver actions be expressed in numbers? There are no simple answers to such questions. Nor can this be an answer to the question of what can be done about the export subsidies, which are the focus of concern.

I think it is good that the issue of tariffication is being discussed in depth. GATT Director General Arthur Dunkel is making efforts, but he is probably facing difficulties in having the tariffication conform to orders already existing in individual nations.

[Reporter] The maximum efforts by Japan, which you mentioned just now, include that making concessions to a certain extent is inevitable, even on the basic principles which Japan has been keeping thus far....

[Miyazawa, interrupting] Basic what, please?

[Reporter] Basic principles. Do you have in mind the flexibility to think making concessions to a certain extent on the basic principles, which the Japanese Government has abided by so far, is inevitable?

[Miyazawa] These are multilateral negotiations, just as they are called, and, therefore, depending on how much the United States concedes or how much Europe, the EC,

concedes, we will end up making concessions in proportion to them. The negotiations are coming to their final stage now, and what I say will affect the substance of the negotiations. Therefore, I will avoid speaking in concrete terms. However, I think that we will have to make as much effort as possible so that the negotiations do not fail.

[Reporter] I would like to ask you about Japanese-Soviet relations—first, the territorial issue. While there are signs of certain progress in this issue, it appears that there still are fluid factors. What kind of outlook do you have now on the northern territories issue?

[Miyazawa] I answered that question at the beginning. The fact that there is no peace treaty concluded between two superpowers—Japan and the Soviet Union, or is it Russia?—at a time when the world is now trying to build a new order of peace, I think, is quite abnormal. This is abnormal to anyone. Therefore, it is important in building this new order of peace that both of us strive to conclude a peace treaty. The territorial issue is indispensable to the conclusion of a peace treaty. Since the Soviet Union pursues a new order of peace in its new thinking foreign policy, I think that it can be understood by the Soviet authorities, too. The settlement of the so-called territorial negotiations or territorial issue should not be something very unpleasant, dark, or uneasy for the people who are residing there now. I hope to get this point across very well. However, since this is a very delicate problem to address diplomatically, I think it is important that we ourselves make singular efforts [iyona doryoku] to make the local residents understand that this is a bright topic.

[Reporter] Turning to the issue of aid to the Soviet Union, particularly financial aid, Europe and the United States have different positions. I believe one side thinks that it is still premature and the other thinks financial aid should commence now. What are your thoughts about Japan's aid to the Soviet Union in the financial realm.

[Miyazawa] Japan's aid to the Soviet Union consists of humanitarian emergency aid and, taking it a step further, technological aid. The latter includes oil and, depending on the situation, lumber and fisheries. Since this is the content of the $2.5 billion aid package adopted recently, the next task will be, as you say, financial aid. I heard in detail from former Finance Minister Hashimoto about the various debates held at the recent Bangkok [G-7] meeting. That meeting raised four points, including one that calls for experts from the G-7, the IMF, and the World Bank to visit Moscow and meet with experts on the Silayev Committee. Discussions should be held and clarifications should be made on that and on other questions of how much money is needed and at which stage. All this should be mutually confirmed. However, this involves the question of who will borrow the money.

So, these are the prerequisites, and a meeting was held recently to discuss the matter. I think I should add that this was the first meeting. Therefore, what is called financial aid, I think, will in the future comprise funds for ruble stabilization, commodity aid amounting to a considerably enormous sum when a transition is really made toward a market economy, and a sort of infrastructural fund for more basic things such as transportation, communications, and the environment. It is expected to be a considerably large amount over a considerable period of time. Therefore, it will be impossible to start unless an agreement is reached with the Soviet authorities—or the Russian authorities—or both as the G-7 says. I am not saying that it will be okay to procrastinate. I think it will not do if a situation develops in which both sides do not know what, when, for what, and to whom money should be lent.

[Reporter] I want to ask you about the PKO bill, the deliberation of which is scheduled to begin soon—next week. It has been decided at the last Diet session that the bill be carried over to the current session. Now, do you see any prospects for its enactment at the current session?

[Miyazawa] As I stated at the beginning, I wish by all means to have it enacted at the current session. It will be basically for the contribution of personnel, which Japan should make from the perspective of the future, as I mentioned earlier. Therefore, it is my ardent desire that it will be enacted.

[Reporter] What do you think about the question of a so-called Diet approval, which was a focal point at the last session?

[Miyazawa] I am aware that we have some differences of opinion with other parties on that point. The government has all along promised that if that kind of situation develops, it would map out plans and report them to the Diet, and after listening to the Diet's views, keep making improvements. Therefore, in that sense—what should I say—should I call it civilian control? The government is saying that it will give sufficient consideration to that area and will operate in that way. Since the new session has begun, I hope that dialogue will develop deeper with the concerned quarters.

[Reporter] Mr. Prime Minister, in connection with Japan's international contribution, which is related to the PKO bill, you have expressed your intention to respect the policy set forth by the party's Ozawa Research Committee. Now, you have been saying that it should be within the framework of the constitution. Will there be any disagreement between that position and the policy that the international contribution, including active participation in multinational forces, should be examined?

[Miyazawa] This concerns the same question that was raised by Mr. Izumi at the beginning. I stated that the PKO bill, which the government introduced to the Diet, will be basically for contribution of personnel to the United Nations; thus it accords with the principle of cooperation for the peace of the world set forth under the

Japanese Constitution. Until the Gulf crisis developed last year, this issue had not been discussed very much. I think it will certainly be good to hold thorough debates on what is possible and what is not under the current Japanese Constitution. This is not a taboo or anything like that. To discuss what is possible and what is not under the current Constitution and what should be done is not a taboo. So I think it is important to discuss it thoroughly at the research committee [as heard]. This is my opinion.

[Reporter] I would like to ask you about your concept of Japan's diplomatic posture. The Administrative Reform Council has presented a package of recommendations calling for the strengthening of Japan's diplomatic setup. Mr. Prime Minister, how are you going to improve Japan's diplomatic setup and what do you yourself think the setup should be?

[Miyazawa] A visit to our diplomatic establishments overseas shows that everyone is saddled with routine duties so that one has no time to think what to do with future diplomatic ties between that country and Japan. This is not a good situation. I think there can be two solutions, although both have to involve people. I think that it would be good to remove some of the routine tasks that are less necessary from their overall duties. I would think that even after doing that, there still will not be enough personnel. It will not do to just say that there are not enough personnel; their work must be curtailed. Even if staffers were to be increased by as much as three at one establishment, all of them would end up shouldering as mmany burdens as before. Their work should be curtailed, I think. I keenly realize this whenever I examine the actual situation.

[Reporter] Lastly, I would like to ask you about your diplomatic schedule.

[Miyazwa, interrupting] I cannot hear you. You wish to ask me about what?

[Reporter] About your diplomatic schedule. Do you have any specific plans to visit overseas? The Uruguay round of talks are set for the end of the year. Could you be thinking about visiting the United States soon in order to adjust the views on the talks? Or, on the other hand, could you be thinking about visiting the Soviet Union? I would like to hear about your diplomatic schedule, including such visit activities.

[Miyazawa] Regarding matters with the United States, until just a short while ago, since Mr. Bush was coming to Japan, I thought I could have talks with him on that occasion—or so I thought. But that is not going to happen.

I am not yet thinking about an overseas visit schedule. I came here only yesterday. I have not given a thought to the matter yet. Besides, to speak about the Uruguay round of talks—the talks are multinational negotiations. I am not regarding them as an occasion to deal with Japanese-U.S. bilateral issues. Hence, where that matter is concerned, I think the visit of President Bush will have no bearing at all.

[Dean of Press Corps] The time for questions from preselected reporters is up. Other reporters, please feel free to ask questions now.

[Reporter] I would like to ask you about diplomacy—your specialty field....

[Miyazawa, interrupting] Sorry, will you speak closer to your microphone.

[Reporter] I would like to ask you about your diplomatic policy. Regarding the relationship with the Soviet Union, you have said in the past that you would view it from the standpoint of a new world order. On the question of aid to the Soviet Union, could you be thinking about softening, more or less, the stand on the principle of not separating politics from economics and the principle of expanded equilibrium? Or do you intend to have no change in the basic position at all? Will you please comment on that question?

[Miyazawa] I assume your question is in reference to the territories issue. I am sure that all of us in Japan and both the Soviet and Russian authorities think it strange that there is no peace treaty concluded between these two powers and agree that this is a rare exception in the world. The people also probably know that we are earnestly thinking about ways to help the Soviet Union—from the position of goodwill and friendship. I do not want tie these two things with the territorial question. The issue of concluding a peace treaty should be viewed from the standpoint of normalizing relations between the two powers for the sake of peace of the world. This issue by itself is important for both countries. I would like to think about the two questions, not confusing them with each other.

We are thinking about aiding the Soviet Union because if the Soviet Union or Russia were to become a country pursuing peace in the future and move toward a market economy, this would be very desirable for both Japan and the free world. I think we should provide aid to the Soviet Union—within the scope of our abilities and if the aid would be used efficiently.

[Reporter] I am reporter from a newspaper in China. Next year will mark the 20th anniversary since relations between Japan and China were normalized. I would like to hear your view on the future Japanese-Chinese relations.

[Miyazwa] As you know, Japan is the country that went ahead of other countries in reopening economic assistance to China after the Tiananmen incident. Japan took the position of explaining and pressing its stand to other countries at the summit, and the Chinese Government is well aware of this. Japan will not spare its efforts to assist China's efforts in its open-door policy. Next year, 20

years will have passed since the two countries normalized relations. My thinking is that the relationship of goodwill should be further deepened.

[Reporter] Mr. Prime Minister, my question concerns your political posture. In the past, you have said: People in our generation grew up in poverty and when they become rich, they do not know how to deal with their riches. Those who will lead Japan from now on should learn how to deal with wealth, and they need the morality to deal with wealth. I still remember clearly these remarks of yours. After assuming the important post of prime minister, what sort of political philosophy and political ideology do you plan to present to the people based on this concept of yours? In what concrete manner are you going to carry it out? In connection with political ideology, you have just said that you would severely discipline yourself. What sort of political ideology and posture do you plan to present to the people and carry out in a concrete way during your term? I would appreciate it if you would state your views on these questions.

[Miyazawa] To be sure, we have long learned about how to deal with poverty, but have not learned how to deal with wealth because we have not needed to do so [laughing]. In recent years, however, the Japanese have often been criticized by foreign nations as arrogant and I believe that this criticism has stemmed from the improper use of money by the Japanese. I think that the Japanese perhaps use their money in a manner that causes displeasure in foreign nations. This question is something that the Japanese themselves should correct by reflecting upon their experiences. If a poor person becomes rich overnight, he does not know how to use the money properly. The Japanese should learn how to use money properly without causing others to feel displeasure. I have mentioned dignity; the Japanese do not need to humble themselves unnecessarily, but it is not desirable for them to be arrogant. I think that those who work earnestly are people of dignity, and I have stressed that Japan should become a dignified state because I share the view that you have just expressed in your questions. It is not wrong at all for the people to use money to enrich their lives if they use their money in a proper way. As for how to use money for the benefit of others, the concept of helping others financially in various ways, or charity, has recently emerged among the people and enterprises. I think that this idea should be regarded by the people and enterprises as one of their social duties. I think that the people should have this concept. In politics, elections require a lot of money, and I think that this should not be viewed as the proper way of dealing with wealth. Therefore, politics needs to be reformed and though I believe that this is taught in schools and homes, I hope that the Japanese will become people of dignity who are not criticized by foreign nations as being arrogant.

[Reporter] Great changes are taking place on the Korean peninsula in the wake of the admission of the two Koreas to the United Nations. Meanwhile, Japan-North Korea normalization talks have encountered troubles. I would like to ask you what position you plan to use to deal with this issue? I understand that you intend to have a PKO bill enacted at the current Diet session. How are how you going to win the understanding of its legislation from Japan's neighbors like South Korea and China?

[Miyazawa] The two Koreas on the Korean peninsula were admitted to the United Nations and this is something we have to welcome greatly. We will expect changes in the thinking of the North Korean side or the DPRK. There are of course some reasons, including the changes in the Soviet Union, for us to have such expectations. Mr. Kanemaru visited North Korea to pave the way for political contacts and I believe that this is of great significance. I still hold this belief. Therefore, the situation surrounding the talks is never moving in a negative direction. Inter-Korean prime ministerial talks were recently held, and at the talks both sides agreed for the first time to work together on the formulation of a common communique. I think that this is a result of their great perseverance. Under these developments on the Korean peninsula, we intend to ask North Korea to sign an agreement to ensure nuclear inspections at future normalization talks. So far, North Korea, or the DPRK has maintained that it will not sign the agreement as long as the United States keeps nuclear weapons in South Korea. I think that the United States itself takes the view that the deployment of nuclear weapons in South Korea can be reviewed. If the United States takes such a view, I believe that there is the prospect of resolving this issue. Since North Korea has come to this position, the way, if steps are taken one way or another, will be opened for resolving the issue. The DPRK has contented that Japan has nothing to do with North Korea's handling of nuclear weapons or the signing of the agreement ensuring nuclear inspections. However, I do not agree with that country's contention because North Korea is Japan's immediate neighbor. It is quite natural for Japan to be concerned over this issue. Therefore, I intend to ask the DPRK to think of settling this issue.

[Reporter] Mr. Prime Minister, I would like to ask you another question about Japan-U.S. relations. After you took office, you became very popular in the U.S. media, and I think that your popularity among American newspapers is not simply an expression of congratulations on your assumption of the premiership but comes from the fact that you have been involved in Japan-U.S. relations during the post-war years. You have frequently said that Japan shares common values with the United States. Hence, the United States is expected to talk freely with Japan in a common parlance after a Japanese prime minister with that view took office. At the same time, however, the United States is very likely to bring up individual issues at talks with Japan after concluding that there are no ideological differences between you and Mr. Bush. As American newspapers indicate, the Untied States views that this time a tough prime minister has taken office in Japan. I would like to hear your views on this and your resolve to deal with issues concerning the United States.

[Miyazawa] I think that the American people are great. In relations with that country, security relations are important and the exchanges of people, materials, and capital between the countries also are important. However, the most important thing in our relations with that country is that Japan shares the same values with the United States. Since Japan shares the same values with the United States, we can honestly speak our minds with them. This is my simple thinking. In dealing with trade issues with that country, the two countries have taken different positions. Any differences between the two countries must be dealt with by taking into account each other's position. So far, Japan has pointed out the problems of inadequate education and competitiveness in the United States, while the United States has demanded that keiretsu [system of interconnected businesses] be abolished or markets opened up. Thus, the two countries have freely talked to each other on these issues. Regarding the trade friction between the two countries, I think that the two countries will work together in a concrete way to settle them. It is desirable for the two countries to tell each other honestly what each thinks and to discuss things together, while comparing each other's data. As the two countries have come to maintain the close relations such as they are, some sort of friction is always arising between the two countries. If one issue is settled, another issue will arise and this is a matter of course. Since the two countries share the same values, trade frictions will develop into discord between the two countries. I intend to deal with trade friction with such a philosophy.

[Reporter] My question also concerns Japan-U.S. relations. I think that what the United States is hoping for is political leadership in Japan. What do you think of this?

[Miyazawa] Do you mean that the United States hopes that the political leadership will lead the Japanese public?

[Reporter] You are right.

[Miyazawa] If it is on reasonable matters, the political leadership should be exercised and financial measures should also be taken in necessary and as was done in the past. There are various things that need the exercise of political leadership.

[Reporter] Mr. Miyazawa, I would like to ask about political reform. Some are worried that political reform may retreat under the Miyazawa government. I think that the factional issue in the ruling party is one of the reasons for their worries. The three party executives believe that their departures from their respective factions is of little significance. The members of the cabinet, at a meeting held yesterday, agreed to quit from their respective factions, but some influential cabinet members are doubtful about the effect of their departure from their factions. What do you think of these moves? Mr. Prime Minister, how will you maintain a relationship with your own faction?

[Miyazawa] The party executives are taking a realistic look at the present situation and I think that they have agreed that the smooth management of the party is more important than the formalities. This is a matter for the party. As far as the government is concerned, ministers should leave their factions and needless to say, I, as prime minister, also should leave my faction. I think that there is a difference between the position of a partisan and the position of a public servant. For this reason, I want to ask the ministers of the government to leave their factions and the members of the cabinet who met yesterday have agreed to do so. I believe that the agreement will be kept.

[Reporter] Mr. Prime Minister, I would like to ask you another question on political reform. Earlier, you said that you would conduct consultations between the ruling and opposition parties by using the three political reform-related bills as the basis of discussion. The three bills consist of an amendment to the Public Office Election Act, centering on the introduction of the combined system of single-seat constituencies and proportional representation; a revision of the political fund raising system; and the introduction of public subsidy to political parties. Do you definitely think of these three as a set? Or do you think that if the reform of the election system becomes difficult, the reform of the political funding system and subsidy for political parties can be possible?

[Miyazawa] It is a fact that the three bills are related. Therefore, I would like the three to be taken as the basis of discussion and the starting point. Naturally, in terms of effort, we ought to exert the utmost effort to achieve the best results. After deliberations begin, a sense of trust will grow among the members of the consultative body. From there, new ideas may emerge. But for me, I would like the starting point to be the three bills.

[Reporter] I would like to ask a question relating to political reform. The starting point of political reform, on which the Kaifu cabinet had staked its political fate, was the realization that mere redistribution of Diet seats would not be enough to overcome the difficult political situation, and that without something different, for instance, a combined system of single-seat constituencies and proportional representation, the Japanese policy-making process would not function well. Moreover, the logic of our system of faction dictatorship looks extremely bad to foreign countries. Under the dual structure of power, even if the government works hard, the prevailing view is that it is being manipulated by the factions. There is a tendency to seriously underrate government policy. Thus, the original motive of political reform was the awareness that to solve the above problem, drastic political reform was required. The LDP even passed resolutions on this. However, recent trends in the debate show that people are saying that an even redistribution of Diet seats would be difficult. In that case, wouldn't we be back where we started? That is how I feel. In short, in your opinion, Prime Minister

Miyazawa, can the problem be solved by redistributing Diet seats? What do you think?

[Miyazawa] That is precisely the reason why I am not talking about a redistribution of Diet seats from the start. It is true that a redistribution of Diet seats would be difficult. Now that we have three ready bases for discussion, I am not in favor of ignoring them and starting with the issue of redistributing Diet seats. I would not say that at a certain point in the future there will not be a need to do so, but now is not the right time to talk about it. As you mentioned, about the factions, what you said is true. That is why I am saying let us take the bills as basis of discussion and carry on from there.

[Reporter] In relation to that, Mr. Prime Minister, do you personally have a goal that you would like to pursue?

[Miyazawa] Well, the bills at least will be the starting point of consultations. That is what I think. Since the bills will have to be adopted by the Diet, I would like the consultative body to produce a version that would be acceptable to the Diet. Then, I will feel it to be the best thing under the circumstances.

[Reporter] One more question. You said that it is fine to debate on constitutional issues extensively. If this is to be taken up in a research committee, do you have any concrete ideas as to which committee should take on this job?

[Miyazawa] I think this question concerns the so-called Ozawa committee mentioned in a question earlier. My answer was I think this would be taken up by the committee.

[Reporter] Did you mean that the government might create an official study group or something like that?

[Miyazawa] No. I was referring to the research committee chaired by Mr Ozawa.

[Reporter] This has been mentioned in your earlier remarks. Under the condition of the postponement of President Bush's visit to Japan or uncertain prospects of such a visit, you said that you do not yet have a schedule for overseas trips. Under the present condition, do you feel that there is a necessity for you to visit the United States at this point? Or do you think that it is still too early?

[Miyazawa] Well, the news came just a while ago today. I am not prepared to answer you question.... [changes thought] We do not also know what will happen next.

[Reporter] You have said that you want Japan to become a dignified country in the international community. I remember vaguely that when you were a foreign minister, you once talked about the conceptual framework of Japanese diplomacy and said that if we could get along well with all countries, we could not help being accused of practicing a diplomacy without morality; and diplomacy without morality was irresponsible diplomacy. In the press conference of cabinet members yesterday, Foreign Minister Watanabe touched on the issue of Burma, and talked about the release of Madame Aung San Suu Kyi, and that if there is no transfer of political power, Burma will have no alternative but to suffer sanctions from the international community, and seek a change of regime. In relation to this, please give us a more concrete idea about how you think this should be handled. With regard to human rights in China, while Japan may not be in a position to criticize China, a dissident Chinese intellectual and magazine editor living in Japan had applied for a refugee visa and was refused, and he is appealing the decision. What do you think of the issue of human rights in foreign policy?

[Miyazawa] I am not answering this question with specific countries in mind. I would like to make this clear. With regard to the role of human rights in foreign policy, in recent times, we can go back to the administration of U.S. President Carter, when it was a controversial issue. It was too strong of an argument. Some members of the U.S. Congress criticize the incumbent President Bush on the same issue. This issue is difficult to discuss in an abstract manner. Each country has its own stage of development, political history, and so on. The term human rights.... [changes thought] For instance, in a country where there used to be nothing to eat and no houses to live in, and many people dying of starvation, if the condition improves to the extent where no one dies of hunger, and everyone has a roof over his head and clothing on his body, that country would certainly think that there has been much progress in human rights, and that is understandable. Therefore, I think we must be very careful not to measure everything with one abstract, uniform yardstick. For instance, there is the question of foreign aid, such as Official Development Assistance [ODA]. If we take the degree of respect for human rights as a condition for providing ODA, and use one uniform standard in our assessment, then ODA will most probably not go to places where it is needed most. In that sense, it is better not to think of these things with one standard. I think the important thing is that we should help other countries progress in a trend of respecting human rights, no matter how little that progress may be.

[Reporter] Do you have anything specific in mind concerning Burma?

[Miyazawa] With regard to Burma, I have nothing specific to say. I am not acquainted with the facts.

[Dean of the Cabinet Press Corps] We have far exceeded the alloted time. If there are no further questions, we would like to end the interview now. Is that all right? Thank you.

[Miyazawa] Thank you. Please continue to give me your favors.

## Miyazawa Scores 'Highest' in Post-Inaugural Poll

*OW0711013791 Tokyo KYODO in English 2349 GMT 6 Nov 91*

[Text] Tokyo, Nov. 7 KYODO—Japan's new prime minister, Kiichi Mizawa, scored a popularity rating of 57 percent—the highest for any newly installed premier in recent years—in a public opinion poll published Thursday by the MAINICHI SHIMBUN.

The mass-circulation daily said in its Thursday morning edition that Miyazawa's popularity rating compared with 31 percent for Toshiki Kaifu, 22 percent for Sosuke Uno, and 30 percent for Noboru Takeshita in polls conducted immediately after the inauguration of their cabinets.

The latest poll, conducted in mid and late October, shows that 27 percent do not support Miyazawa, who took office on Tuesday following his election last month as president of the ruling Liberal Democratic Party.

Economic and fiscal policies headed a list of top priorities for the Miyazawa government, being cited by 21 percent of the total respondents.

Welfare and education was second with 16 percent, followed by political reform with 15 percent and relations with the United States at 12 percent.

In a separate MAINICHI survey in the U.S., 23 percent of Americans polled said they knew of Miyazawa.

## Cabinet Pledges Maximum Effort in Uruguay Round

*OW0711041091 Tokyo KYODO in English 0339 GMT 7 Nov 91*

[Text] Tokyo, Nov. 7 KYODO—Prime Minister Kiichi Miyazawa's key cabinet members Thursday discussed global agricultural trade talks in a bid to forge a consensus response to international demands to ease the Japanese ban on rice imports.

The meeting, convened during Miyazawa's second full day in office, was an indication of the importance the new prime minister attaches to bringing the Uruguay round of multilateral trade talks to a successful conclusion, top government spokesman Koichi Kato told reporters.

Agriculture Minister Masami Tanabu, Foreign Minister Michio Watanabe, and 13 other cabinet members who attended the meeting agreed that the trade talks would have an important influence on the world economy, Kato said. Miyazawa did not attend the session and received a report about the discussion later from Kato.

He said Miyazawa intends to orchestrate a broad consensus among ruling party and opposition politicians, as well as among farm interest groups, on how to respond to calls for liberalizing the Japanese rice market.

In his first address to the nation on Wednesday, Miyazawa said that Japan is prepared to make concessions on agricultural issues to remain in step with the United States and the European Community (EC).

Kato declined, however, to predict whether Miyazawa's call for bringing the global trade talks to a conclusion within this year would be realized.

"Each country is now making efforts, but I cannot make a prognosis with confidence," he said.

A senior trade ministry official said the 15 cabinet members pledged to use a "unified" and "maximum" effort to try and bring about a successful conclusion to the stagnant global trade talks.

Kazumasa Kusaka, director of the international economic affairs division of the Ministry of International Trade and Industry (MITI), told reporters that the future course of the global economy will greatly depend on whether or not the Uruguay round of multilateral trade talks ends successfully.

The participants were also quoted as saying that steering the round to success is "in the interests of Japan which is a major beneficiary of the free global trade," that is proposed by the General Agreement on Tariffs and Trade (GATT).

Japan has been under increasing pressure to lift its long-standing ban on rice imports in order to help spur the stalled talks, which have been held up due to discord over farm trade reform.

Japan, the world's top importer of food, has refused to allow foreign rice into the country, citing "food security" and a desire to be self-sufficient in the production of staple food items.

Miyazawa has indicated that Japan is ready to ease the rice import regulations if the U.S. And the European Community (EC) each give some ground in the negotiations.

## Ishikawa Favors Partial Opening of Rice Market

*OW0711092491 Tokyo KYODO in English 0811 GMT 7 Nov 91*

[Text] Tokyo, Nov. 7 KYODO—The chairman of the Japan Chamber of Commerce and Industry said Thursday he favors a partial opening of Japan's rice market over the U.S.-proposed "tariffication" of farm trade barriers.

Rokuro Ishikawa was commenting at a news conference about the Uruguay round of multilateral trade talks, at which Japan faces mounting international pressure to open its rice market.

Ishikawa is the second Japanese business leader to support a partial opening of the rice market, after Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren).

Ishikawa said a partial opening was preferable considering the present agricultural situation in Japan, but gave no specific reasons.

Among other business leaders, Masaru Hayami, chairman of the Japanese Association of Corporate Executives (Keizai Doyukai), recently expressed support for tariffication.

### New Finance Minister Cautious on Public Spending

*OW0611155891 Tokyo KYODO in English 1228 GMT 06 Nov 91*

[Text] Tokyo, Nov. 6 KYODO—Finance Minister Tsutomu Hata on Wednesday indicated the government is cautious about expanding public works spending to boost the economy.

Hata said in an interview that the current tight labor market is likely to prevent more spending on public works from translating into a major booster of the economy.

"I've heard that the labor shortage is stalling the swift translation of increased public works outlays into actual works," he said.

He also pointed to dwindling tax revenues and the continued strength of the economy as reasons for not rushing to increase public works expenditures.

The overall economy is still on a firm footing, and the conditions are not so favorable for expanding public works spending, he said.

The calls for an increase in public works to boost domestic demand have been mounting in business circles amid the quickening economic slowdown.

Hata, who was appointed to the post by Prime Minister Kiichi Miyazawa on Tuesday, also said the government should be cautious about issuing debt-financing bonds to compensate for the expected shortfall of tax revenues.

The accumulated tax revenues for the first half of fiscal 1991, April through September, amounted to 17.7 trillion yen, down 2.3 percent from the previous year.

At this rate, the overall income from taxes in fiscal 1991 is expected to fall short of the government's original projection by about 3 trillion yen.

Hata, claiming the first thing to do is to cut spending, stressed the government should not move quickly to issue debt-financing bonds to fill the fiscal gap.

"Such a step would mean a regression on the ministry's long efforts toward fiscal reform," he said.

The government has phased out new issuances of debt-financing bonds by fiscal 1990 through a decade-long project for fiscal reform.

Miyazawa has already made it clear he does not favor raising taxes with an election of the House of Councilors scheduled for next year.

Hata, however, refused to talk in concrete terms about where spending should be cut or where the money should come from to meet the ministries' budget requests.

He just said the Finance Ministry should have a clear view on these issues by the end of November.

### Takeshita Examines Environmental Preservation Tax

*OW0611155291 Tokyo KYODO in English 1422 GMT 6 Nov 91*

[Text] Tokyo, Nov. 6 (KYODO)—Former Prime Minister Noboru Takeshita indicated Wednesday he may propose issuing bonds or introducing a tax to raise funds for environmental preservation.

Speaking at a symposium on Japan's international contributions at a Tokyo hotel, Takeshita said Japan should contribute to environmental issues as well cooperating on economic, cultural and peace issues.

He said "to leave a clean world to the next generation," Japan needs to "change its ideas on financial affairs," such as considering issuing environmental bonds or introducing a specific tax, and indicated he may propose the idea at the U.N.-sponsored Earth Summit in Rio de Janeiro, Brazil, scheduled for June 1-12, 1992.

Takeshita, who is a special adviser to the U.N. Conference on Environment and Development (UNCED), said the Earth Summit "must not end merely with the delivery of speeches."

### Chief of Okinawa Agency To Stress Development

*OW0611045991 Naha NHK Radio in Japanese 2218 GMT 5 Nov 91*

[Text] Mr. Tomoo Ie, who was appointed director-general of the Okinawa Development Agency [ODA] in the new Miyazawa cabinet, stated at the press conference after the announcement of the cabinet lineup that he would do his best to promote development of economic foundations that have lagged behind.

Mr. Tomoo Ie, who became the ODA director-general in the new Miyazawa cabinet inaugurated on 5 November, is the first cabinet minister from Okinawa Prefecture since pre-war and post-war times. Speaking at the news conference held after the cabinet's inauguration, Director-General Ie stated:

It has become my duty to take charge of affairs concerned with the two regions of extremes—Hokkaido, with a vast area but cold weather, and Okinawa with a small area but warm weather. However, what is common to both Okinawa and Hokkaido is the fact that they have fallen behind in the development of economic foundations. Prime Minister Miyazawa has asked me to do my best to promote the development in these two regions.

Mr. Ie also expressed his intention to do his utmost and work for Prime Minister Miyazawa most devotedly.

## Official Sees No Impact From U.S. Rate Cut

*OW0711014691 Tokyo KYODO in English 2359 GMT 6 Nov 91*

[Text] Tokyo, Nov. 7 KYODO—The 0.5 percentage point official discount rate cut made by the U.S. Federal Reserve Board on Wednesday will not have a major impact on Japan, a senior Finance Ministry official said late Wednesday night.

The official said the new 4.5 percent rate, meant to stimulate the slowly recovering U.S. economy, was anticipated by the market and will not largely affect currency exchange rates.

Some analysts noted, however, that it will lead to pressure on the Bank of Japan (BOJ) to cut the Japanese official discount rate, which could happen as early as next week, in order for it to stay in line with an agreement on lower interest rates made with financial leaders from the Group of Seven (G-7) industrialized nations in mid- October.

Japan's discount rate charged on BOJ loans to commercial banks currently stands at 5.5 percent per annum.

A dealer with a long-term credit bank said he is surprised that the cut took place while the auctioning for U.S. Treasury bonds is taking place.

The cut announcement contributed to the dollar lowering against the yen, but only slightly, he said.

Meanwhile, a dealer with a major city bank projected the BOJ will not follow suit immediately, as it would give the impression that the central bank was forced to do so by the United States.

But Japanese and U.S. financial authorities have already been agreeing on the timing of rate cuts, the dealer said, adding that a cut in Japan is likely to occur later next week after BOJ Governor Yasushi Mieno returns from his trip to Europe.

## Central Bank Predicts Trade Surplus To Expand

*OW0711093591 Tokyo KYODO in English 0834 GMT 7 Nov 91*

[Text] Tokyo, Nov. 7 KYODO—Japan's external surplus will continue to expand for the time being, the Bank of Japan (BOJ) said Thursday.

The central bank, however, stressed in a report that the recent sharp upswing in the external surplus is due mainly to temporary factors and the imbalance will stabilize in the long run.

Japan's current-account surplus amounted to 48.3 billion dollars in the January-September period, up 20.7 billion dollars from the same period last year.

The surplus had steadily declined since 1987, when it peaked at 87 billion dollars, falling to 35.8 billion dollars in 1990, before it started ballooning again this year.

The BOJ said about 87 percent, or about 18 billion dollars, of the 20.7-billion dollar year-on-year increase can be attributed to such "temporary or special" factors as a sharp drop in Japan's investment purchases of gold, the yen's appreciation, and a decline in imports of luxury goods.

The BOJ report, pointing out that the imbalance is not widening on a volume basis, said the underlying trend toward a reduced imbalance has not changed.

Japan's trade structure has dramatically changed toward balancing exports and imports since the mid-1980's, the bank said.

The largest factor behind the transformation of the trade structure is the massive shift of production overseas by Japanese makers, the report said.

Although the surplus will continue to grow for the time being because of differences in economic conditions between Japan and its trading partners, the structural changes since the Plaza Agreement in 1985 will guarantee long-term stability in the balance, it said.

A BOJ official briefing reporters said the government should not rush to adopt new counter policies on the premise that the surplus is growing.

"Achieving continued stable economic growth is most important," the official said.

Economists in the private sector nevertheless cautioned against rekindled trade friction.

"The current increase in trade surplus is also due to Japanese exporters' shift of focus to upscale products," said Atsushi Nakajima, senior economist at the Industrial Bank of Japan [IBJ].

"The capital spending spree among Japanese manufactures in the past few years has boosted their competitive edge to the point where higher prices do not depress exports," he said.

"As the economies in major trading partners will soon pick up, Japan's trade surplus on a dollar basis will be flying at an annual 100 billion dollar level for the time being," he said.

The IBJ predicts Japan's unadjusted trade surplus will amount to 95.3 billion dollars in fiscal 1991, up from 69.5 billion dollars in the previous year, and will top 100 billion dollars in fiscal 1992.

Nakajima, however, said the surplus is unlikely to keep ballooning since renewed friction with trade partners will prompt Japanese companies to increase their production overseas.

## Capital Spending Seen Below Earlier Forecast

*OW0511073491 Tokyo KYODO in English 0718 GMT 5 Nov 91*

[Text] Tokyo, Nov. 5 KYODO—A revised plant and equipment investment plan in all industries this fiscal year shows a 4.8 percent growth from the previous year, but is below the earlier government forecast of a nominal 7.9 percent, a survey conducted by the Economic Planning Agency (EPA) found Tuesday.

The planned investment sum amounts to 51.19 trillion yen. The government forecast is 6.8 percent in real terms.

Without including electric power plants, the revised growth figure is forecast at 4.3 percent.

Capital investment by manufacturers is estimated to rise 4.2 percent, and spending by nonmanufacturers 5.1 percent.

The planned investment by corporations capitalized at 1 billion yen or more shows a 5.0 percent increase from the investment in fiscal 1990, sharply down from a 16.7 percent gain recorded in the previous year from fiscal 1989.

The survey was conducted September 1 on 4,496 corporations with a capital of 100 million yen or more. Of these, the agency received replies from about 96 percent.

Corporate capital spending for the July-September quarter shows the first single-digit quarterly growth in five years.

The EPA poll also showed that companies expect a slower Japanese economy and weaker domestic and overseas demand.

The Business Survey Index (BSI)—the percentage of companies expecting firmness minus those projecting weakness—was minus 14 for the July-September quarter. It is followed by minus 27 from the previous quarter for the October-December period, and minus 20 for January through March 1992.

Businessmen are becoming "cautious" about the outlook of the nation's economy, an EPA official said.

The index for domestic demand in the July-September quarter was minus 7, and is estimated at minus 21 for October through December, and at minus 16 for the January-March 1992 period. The index for overseas demand projected at minus 10, minus 11, and minus 6, respectively, for the three quarters. Pollees predicted product prices will ease slightly but those of raw materials will continue to move up. Firm performance was projected for total sales, and many forcast that their pretax profits will continue to improve.

Meanwhile, the survey confirmed that inventories in the manufacturing sector are becoming slightly excessive.

# Mongolia

## Soviet General Reveals Date for Troop Withdrawal

*OW0611113991 Beijing XINHUA in English 1118 GMT 6 Nov 91*

[Text] Ulaanbaatar, November 6 (XINHUA)—A Soviet major general has told Mongolian press that the Soviet troops stationed in Mongolia will complete their withdrawal by September, 1992.

General Mizun, head of a team in charge of the Soviet pull-out, said all the combat troops had returned home, and the remaining ones were only rear personnel in charge of removing military ordnance and facilities from Mongolia.

Mizun's remarks were carried in a Mongolian magazine which reached here today. He stressed that although Soviet troops in Mongolia once had strategic vehicles, they had never deployed any nuclear weapons in Mongolia.

The Soviet Union stationed its forces in Mongolia first in 1963, and had its first withdrawal between April and June in 1987.

It began to carry out the first stage of a large-scale withdrawal plan between May and August 1989, in accordance with an agreement reached by the two countries. Under the plan, 50,000 Soviet soldiers, or 75 percent of all Soviet troops in Mongolia, were sent home.

The second phase began in 1990 and the third in 1991.

Early this year, the Soviet ambassador to Mongolia, Vasiliy Ivanovich Sitnikov, declared the time for the complete pullout would be in the first half of 1992.

The soldiers at present in Mongolia account for 15 percent of the former total.

## Fall Grain Harvest Produces 'Poor Yield'

*OW0211134391 Beijing XINHUA in English 0520 GMT 2 Nov 91*

[Text] Ulaanbaatar, November 2 (XINHUA)—Mongolia has gathered in some 590,000 tons of grain this autumn, or 74.5 percent of the production target.

Local media attributed the poor yield to the lack of responsibility, slow pace of grain harvest and destruction of farmland.

Over the past several years, Mongolia's grain harvest has been fluctuating around 800,000 tons. This year, however, the Mongolian Government worked out a plan to reap 790,000 tons of grain.

## North Korea

### Paper Views Israel, Mideast Peace Conference

*SK0711060991 Pyongyang KCNA in English*
*0423 GMT 7 Nov 91*

[Text] Pyongyang November 7 (KCNA)—NODONG SINMUN today comes out with a commentary hitting out at Israel's large-scale armed attack on Lebanon.

The Israeli invaders recently bombarded wide areas of southern Lebanon by mobilizing many fighter planes and artillery pieces, causing big material and human losses to some 70 villages.

This is a crude encroachment on the sovereignty and territorial integrity of Lebanon, a sovereign state, a grave criminal act threatening peace and security in the Middle East and an undisguised challenge to the Arab people and the world's peaceloving people who want a peaceful settlement of the Mideast issue, the news analyst says, and goes on:

This is also a deliberate, premeditated act of Israel to frustrate the Middle East peace conference.

At the first-phase meeting of the Middle East peace conference held in Spain Arab countries raised matters of principle including Israeli withdrawal from all the occupied Arab territories. The Israeli side, however, refused to return the territories on the plea of its "own security" and demanded exclusive negotiation with Arab countries.

This shows that Israel which has not given up its ambition for domination over the Middle East seeks a crafty aim to make Arab countries officially recognize its existence as a state. Israel is trying to perpetuate its occupation of the Arab region by staging the new armed attack on Lebanon.

Peace and security in the Middle East cannot be expected unless Israel renounces its expansionist policy.

The Korean people resolutely denounce Israeli invasion of Lebanon and demand that it be stopped without delay.

### Democratic Front Demands Halt to Allied Exercise

*SK0711061591 Pyongyang KCNA in English*
*0437 GMT 7 Nov 91*

[Text] Pyongyang November 7 (KCNA)—I strongly demand an immediate stop to the "Eagle 91" war game, bitterly denouncing it as an open betrayal of the unanimous desire of the entire fellow countrymen for great national unity and peaceful reunification and a challenge to the international conscience supporting the reunification of our nation.

Cho Il-min, chief of the Pyongyang mission of the South Korean National Democratic Front (Hanminjon), said this in a statement to the press on November 4.

The "Eagle 91" maneuvers being staged by the U.S. imperialists and the South Korean fascist clique, he said, are a reckless war game designed to swallow up the North by force of arms and extend the colonial system in the South to the North and a bellicose threat to bring the North to their knees by military blackmail, the North which is defending socialism under the banner of chuche.

The large-scale war exercises being staged when the U.S. imperialists are crying for the "nuclear inspection" of the North show that the carefully thought out war plan of the U.S. imperialists to start the "second Gulf war" in our country has entered the stage of concrete action.

All our fellow countrymen, whether they live in the South or in the North, should join hands and closely unite with each other to achieve national reunification, the common cause of the nation, and wage a valiant struggle against the vicious foreign aggressors and treacherous bellicose group, stressed Cho Il-min.

### U.S., South Hold Military Exercises on 4, 5 Nov

*SK0611063291 Pyongyang KCNA in English*
*0442 GMT 6 Nov 91*

[Text] Pyongyang November 6 (KCNA)—The U.S. imperialists and the South Korean puppets are pushing the situation on the Korean peninsula to the brink of war with provocative joint military exercises under various names such as the large-scale "Eagle 91," "Valiant Blitz," "Hwarang" and combined war exercise of all services, according to military sources.

The "Valiant Blitz" joint landing exercise was held in the sea off Pohang, an area similar to the coastline of the northern half of Korea, on November 4. Mobilized in it were scores of combatant ships including the extra-large carrier Independence and the command control ship, cruisers and missile frigates and more than 200 pacific and carrier-based fighter-bombers, assault planes, patrol planes, tactical and logistic support planes.

An aerial and ground joint strike exercise was held in the skies above Oeyon Islet, Kunni and Yoju as part of the "Eagle 91" joint maneuvers with the mobilization of fighter planes based in Japan proper and the Pacific and warplanes belonging to the U.S. Air Force present in South Korea and the puppet air force, more than 250 in all.

An intensive airlifting operation which took place in an area along the Military Demarcation Line [MDL] involved U.S. imperialists' "Green Berets" units equipped with backpack nukes and "commandos" under the Special Warfare Command of the puppet army.

In separate action, the South Korean puppets staged "Hwarang" and combined war game of all services near the Demilitarized Zone (DMZ) of the MDL.

An armed detachment of the puppet army which was deployed in Munsan on November 4 expanded its attack operation toward the MDL in coordination with tank and artillery units. And motorized infantry units and

special warfare units of the puppet army staged hysteric nuclear and chemical warfare exercises in Tongduchon and Pochon.

In another development, South Korean puppets fired bullets and shells in Yonchon County in the central sector of the front and Kosong County, South Korean Kangwon Province in the eastern sector.

On November 4 and 5 formations of armed helicopters of the puppet army staged exercises for aerial strike at targets of the North side, in-depth infiltration and air-lifting on the entire length of the front.

## Kim Yong-sun on Japan Relations, Nuclear Issue

*OW0611132691 Tokyo KYODO in English 1314 GMT 6 Nov 91*

[Text] Sydney, Nov. 6 KYODO—North Korea's leading expert on Japanese affairs expressed hopes Wednesday the new Japanese government of Prime Minister Kiichi Miyazawa will move forward on improving relations with Pyongyang.

Kim Yong-sun, (North) Korean Workers Party (KWP) secretary in charge of international affairs, noted in an interview here with KYODO NEWS SERVICE, "Prime Minister Miyazawa has previously indicated a desire for improved bilateral relations."

Kim, who is currently visiting Australia, said Pyongyang "has no interest in restoring diplomatic relations with Australia" if Canberra presses as a precondition North Korea sign the nuclear inspections accord of the International Atomic Energy Agency.

The United States, South Korea, Japan, and other nations have agreed to continue urging Pyongyang to comply with international inspection standards for its secretive nuclear facilities north of the North Korean capital.

While seeming to indicate North Korea is in no rush to establish diplomatic ties with Australia, Kim said that regarding Japan, "it is significant we are negotiating."

Kim said Japan "must observe" the call for wartime reparations and "postwar compensation" promised in a 1990 joint statement by the Korean Workers Party, the Social Democratic Party and Liberal Democratic Party (LDP) both of Japan.

Kim added, however, that before negotiations over compensation are initiated, "the Japanese government must formally apologize for its colonization of the Korean peninsula and wartime behavior."

He hailed plans by U.S. President George Bush to reduce America's worldwide nuclear arsenal and withdraw nuclear weapons from South Korea, but added "it is important the execution (of the plan) is commenced."

## Kim Il-song Receives Indian Party Head

*SK0711110591 Pyongyang KCNA in English 1021 GMT 7 Nov 91*

[Text] Pyongyang November 7 (KCNA)—The great leader President Kim Il-song on November 7 received General Secretary of the National Council of the Communist Party of India Indrajit Gupta and his companion on a visit to our country.

Present were Hwang Chang-yop, secretary, and Kim Chae-pong, vice-director of a department, of the Central Committee of the Workers' Party of Korea.

President Kim Il-song had a conversation with the guests in a warm and friendly atmosphere.

He was presented with a gift by the guests.

He arranged a luncheon for them.

## Delegation Leaves for FAO Conference in Italy

*SK0711111591 Pyongyang KCNA in English 1023 GMT 7 Nov 91*

[Text] Pyongyang November 7 (KCNA)—A Korean delegation headed by Yi Hak-chol, vice-chairman of the State Agricultural Commission, left here today by air to participate in the 26th conference of the Food and Agriculture Organization of the United Nations to be held in Italy.

## Scientific Cooperation Plan Signed With Ukraine

*SK0611223691 Pyongyang KCNA in English 1515 GMT 6 Nov 91*

[Text] Pyongyang November 6 (KCNA)—An agreement on scientific cooperation and a 1991-1995 cooperation plan between the Academies of Sciences of the Democratic People's Republic of Korea and Ukraine were signed here today.

Present at the signing ceremony on the Korean side were Vice- President of the Academy of Sciences of Korea Pak Yong-hyop and other officials concerned, and on the opposite side were the members of the delegation of the Academy of Sciences of Ukraine led by its Vice-President Valeriy Kukhariy and Soviet Ambassador to Korea Aleksandr Kapto.

## Army Leaders, Romanian Military Delegation Meet

*SK0611155291 Pyongyang KCNA in English 1511 GMT 6 Nov 91*

[Text] Pyongyang November 6 (KCNA)—Talks between military delegations of Korea and Romania was held here today.

Present at the talks on the Korean side were Chief of the General Staff of the Korean People's Army [KPA] Choe Kwang, Lieutenent General of the KPA Hong Kye-song and other officials concerned, and on the opposite side

were members of the Romanian military delegation headed by Dumitru Cioflina, secretary of state of the Ministry of National Defence and chief of the General Staff of the Romanian Army. The talks proceeded in a friendly atmosphere.

### WPK Delegation Arrives in Australia 30 Oct

*SK0411022491 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 31 Oct 91*

[Text] The Workers Party of Korea [WPK] delegation led by Kim Yong-sun, secretary of the party Central Committee, arrived in Brisbane, Australia on 30 October.

Ian Mclean, vice chairman of the National Committee of the Australian Labor Party, chairman of the committee for the party's foreign policy, and chairman of the committee of Queensland state; (Peter Shuter), secretary for organization of the committee of the state party; and (Ray Ferguson), secretary of the committee of Queensland state of the Australian Socialist Party, welcomed the delegation at the airport.

The delegation left Kuala Lumpur on 29 October after winding up its visit to Malaysia. Haji Mohamed Nazri bin Abdul Aziz, member of the Supreme Council of the United Malays National Organization (UMNO), vice president of the youth organization, and director of the International Department; other functionaries concerned; and our country's ambassador to Malaysia and staff members saw off the delegation at the airport.

Before leaving, the head of the WPK delegation and the vice president of the youth organization of UMNO and director of the International Department held a joint press conference.

During its stay in Malaysia, the delegation toured a Malay state, an automobile plant, and an agriculture exhibit.

### Holds Talks With Labor Party

*SK0711061291 Pyongyang KCNA in English 0431 GMT 7 Nov 91*

[Text] Pyongyang November 7 (KCNA)—Talks between the delegations of the Workers' Party of Korea [WPK] headed by Kim Yong-sun, secretary of the WPK Central Committee, and the Australian Labour Party [ALP] led by national secretary of the party Bob Hawke took place at the building of the National Committee of the ALP on November 4.

The talks proceeded in a friendly atmosphere.

### Tours Brisbane, Canberra

*SK0711124291 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 6 Nov 91*

[Text] On 31 October, the Workers Party of Korea [WPK] delegation led by Kim Yong-sun, secretary of the party Central Committee, which is on a visit to Australia, met with Ian McLean, vice chairman of the National Committee of the Australian Labor Party, chairman of the Policy Committee of the party congress, and chairman of the Queensland State Party Committee, at state committee headquarters in Brisbane. The delegation also visited the State Assembly building and plants in the city.

On 1 November, the head of the delegation met with the chairman of the Queensland State Committee of the Socialist Party of Australia. The talks were held in a warm atmosphere.

The head of the delegation also visited (Griffith) University where he delivered a speech.

On 2 November and the morning of 3 November, the delegation toured Brisbane.

It left Brisbane and arrived in Canberra, the capital, on the afternoon of 3 November. An international affairs secretary of the Australian Labor Party received the delegation at the airport.

On its way from Brisbane to Canberra, the delegation was seen off at the Sydney airport by the general secretary and chairman of the Socialist Party of Australia.

On 4 November, the delegation toured Canberra and gave an interview to a reporter of Australia's National Broadcasting Corporation. The National Committee of the Australian Labor Party arranged a banquet for the WPK delegation. Delegation members were invited to the banquet. Present at the banquet were Stephen Rusly, chairman of the National Committee of the Australian Labor Party, the national affairs secretary, the international affairs secretary, members of the National Executive Committee, the secretary of the Canberra Municipal Party Committee, and secretaries of the State Party Committee.

Participants in the banquet toasted the long life and good health of the great leader Comrade Kim Il-song and the long life and good health of the dear leader Comrade Kim Chong-il.

### Assembly Group Leaves Jamaica, Arrives in Havana

*SK0311064991 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 26 Oct 91*

[Text] Our country's Supreme People's Assembly [SPA] delegation, led by Chairman Yang Hyong-sop, arrived in Havana, the capital of Cuba, on 23 October.

Juan Escalona, chairman of the National Council of the Cuban People's Sovereignty and other functionaries concerned welcomed the delegation at the airport. Pak Chung-kuk, our country's ambassador to Cuba, was also on hand.

Earlier the same day, the delegation had ended its visit to Jamaica and left Kingston, the capital of Jamaica. During its stay in Jamaica, the delegation paid a courtesy call on the speaker of the House of Representatives and was invited to a banquet arranged by him.

The delegation also met the acting minister of foreign affairs and foreign trade, who is also the minister of state, and held talks with him in a friendly atmosphere. It also visited a ceramic ware factory and an art academy in Kingston.

## South Condemned for Avoiding 'Nuclear Questions'

*SK0611103191 Pyongyang KCNA in English 1005 GMT 6 Nov 91*

["Why Did South Side Avoid Answers?"—KCNA headline]

[Text] Pyongyang November 6 (KCNA)—The South Korean authorities at the fourth round of North-South high-level talks and press conferences avoided clear answers to the questions of adoption of a "declaration on the denuclearisation of the Korean peninsula" and of the U.S. nuclear weapons. This fully proved that they have an axe to grind, though they talk about "peace" and "reunification".

Recalling that the South side evaded answering such questions of our side as "Are there nuclear weapons in South Korea or not?", "Did your authorities allow the introduction of nuclear weapons by the United States into South Korea or did it deploy them freely?" and "Did the South Korean authorities introduce the U.S. nuclear weapons after asking the will of the forty million South Korean people, the supreme ruler?", a NODONG SINMUN analyst today says:

Presence of nuclear weapons in South Korea is explicitly recorded in the minutes of the puppet National Assembly. And, recently, the United States itself, the owner of the nuclear weapons, confirmed their existence.

The South Korean side, however, shunning this fact, is crying for "nuclear inspection" of the North. This is an extremely brigandish logic and a ridiculous artifice to divert elsewhere the attention of the people, thus covering up and justifying their crimes.

It is disgusting of the South Korean authorities to claim that it is the U.S. policy not to confirm nor deny the presence of nuclear weapons and, accordingly, the deployment of the nuclear weapons in South Korea has nothing to do with them.

The South Korean "regime" is one which was framed up by outside forces and is prolonging its remaining days under their "protection" and a marionette "regime" with no military prerogative of supreme command. So, it has to follow the policy of outside forces not to confirm nor deny the presence of nuclear weapons and, although the presence of nuclear weapons in South Korea has been made public, it is not in a position to utter a word demanding their withdrawal.

The South side refused to give answers to nuclear questions because it is pursuing a more sinister criminal purpose.

This tells that the South Korean authorities have not abandoned their sinister intention to maintain power under the "nuclear umbrella" of the United States and, furthermore, threaten us with nuclear weapons and achieve "reunification by prevailing over communism" and "unification by absorption" by force, not minding the destiny of the nation.

The South Korean authorities must abandon their old habit of living without principle by clinging to the coattails of outside forces, remaining indifferent to the national interests and dignity, and truly take a road for the country and the nation.

## Defector From South Interviewed in Pyongyang

*SK0711110691 Pyongyang KCNA in English 1012 GMT 7 Nov 91*

[Text] Pyongyang November 7 (KCNA)—Chong Nak-ho, a South Korean who came over to the northern half of Korea through a third country some time ago, was interviewed by home and foreign reporters at the People's Palace of Culture today.

Born in Sungju County, South Cholla Province, he is forty years old.

He graduated from primary and middle schools in his home town and later worked as a carpenter in Seoul. From 1979 he engaged himself in construction labor abroad. Deciding to throw up the toilsome labor abroad, he returned to South Korea in 1985 and worked in various domains. He served at the Ungwang Company in Uijongbu City, Kyonggi Province, from 1987 till he came over to the North.

His mother and brothers and sisters live in South Korea now.

Explaining the motive of his coming over to the North, he said that his reading overseas compatriots travelogues on Korea was a decisive factor that led to a turn in his life.

He said he got to know of the North where all the people live in harmony, enjoying welfare as masters of society, where the soul of the nation is alive with brilliant national culture and tremendous economic potential and then listened to radio of the North with deeper interest.

In this course, he said, I realized that the reality of the northern society was a fruition of the good policy shaped by the great President Kim Il-song and the dear leader Mr. Kim Chong-il through the application of the people-centred philosophy that gives all the working people happiness, the chuche idea which is a political philosophy best in the world.

South Korean workers who have fallen victims to manpower export are driven hard like slaves abroad as a means of earning foreign currency, with their human dignity and rights ruthlessly trampled down, he said, and continued:

They, deploring their lot, heave curses on the No Tae-u regime.

The No regime arrests at random religionists such as Rev. Mun Ik-hwan, Father Mun Kyu-hyon and Rev. Hong Kun-su who conduct righteous activities for independence, democracy and reunification and subjects them to unbearable persecution.

Noting that, with No Tae-u left alone, it is impossible to solve even the problem of people's livelihood, let alone social democracy and national reunification, he said the day is not far off when No will meet his doom.

I have become convinced that the socialist system in the North centred on the masses where all the people live a happy life in harmony is the embrace in which I can materialize my hope and idea, he stressed.

I and all the fellow countrymen feel great national pride in the fact that all the people, rallied close around the great leader and the dear leader, have built an independent, powerful and happy society for the people, he said, and added: The country should be reunified without fail through confederation proposed by President Kim Il-song.

In conclusion he pledged himself to devote his all to the accomplishment of the cause of national reunification, upholding the reunification program put forward by President Kim Il-song, to bring earlier the day of reunification when the whole nation will live together.

## South Report on Chondaehyop Called 'Propaganda'

*SK0711045591 Pyongyang KCNA in English 0427 GMT 7 Nov 91*

[Text] Pyongyang November 7 (KCNA)—The puppet supreme public prosecutor's office of South Korea on November 4 announced that there are "picked violent force organizations" belonging to the "combat action corps" in Chondaehyop [National Council of Student Representatives] and they are active at over 20 universities, according to a radio report from Seoul.

It alleged that the "action corps" is going through "guerrilla tactical training" and committing "illegal violent actions" in demonstrations.

This is another false propaganda aimed at stifling Chondaehyop and a sinister attempt of the fascist clique to block the students' struggle for independence, democracy and reunification.

The South Korean ruling group is upset by the fact that Chondaehyop is fighting unyieldingly in the van in the teeth of suppression and persecution. It is resorting to a false propaganda, its old game, stretching out its crooked hand of repression to Chondaehyop, afraid that the struggle should be expanded among students around the "elections" scheduled next year.

## Trial of Former South Assemblyman Viewed

*SK0311100191 Pyongyang KCNA in English 0835 GMT 3 Nov 91*

["Challenge to Aspirations After Reunification"—KCNA headline]

[Text] Pyongyang November 3 (KCNA)—The No Tae-u group is trying to blackmail and threaten the pro-reunification, pro- democracy forces and keep the colonial fascist ruling system by demanding a prison term for a former "national assemblyman" who called for reunification. But it is foolish, says MINJU CHOSON today in a signed commentary.

No Tae-u group on October 31 at the second final trial on an appeal of opposition "national assemblyman" Yu Song-hwan who aeserted in the "interpellation" in 1986 in the last period of the "Fifth Republic" that state policy should not be anti-communism but be reunification, demanded prison term of 3 years and 3 years' suspension of qualification for him as at the first trial.

As for the statement of former "national assemblyman" Yu Song-hwan, it cannot be a reason or ground for a trial of him in light of the ardent desire of the whole nation for reunification or in view of his privilege of immunity from responsibility.

Nevertheless, the No group demanded the same prison term for him as at the first trial several years ago. This proves that the No group is a group of such anti-communist fascists and splittists as the Chon Tu-hwan military fascist clique. This also discloses that the "reunification" and "dialogue" on the lips of the No group are sheer lies.

The No Tae-u group must refrain from resorting to the anachronistic anti-communist "state policy" and stop at once such criminal acts as intensifying the fascist suppression of the pro- reunification, democratic forces.

## * Laws on Introduction of S&T Products Explained

*922C0009A Pyongyang MINJU CHOSON in Korean 3, 7 Sep 91*

[From the "Commentary on the Laws" column: "Regulations Concerning the Investigation of S&T Products, Their Registration and Introduction"]

**[3 Sep 91 p 2]**

[Text] The great leader Comrade Kim Il-song taught as follows:

**"We must do a good job of examining problems concerning design documents and newly discovered science and technology."**

The State Administration Council recently approved provisions relating to the examination, registration, and introduction of S&T products.

The provisions relating to the examination, registration, and introduction of S&T products are composed of five chapters and 24 articles. In the provisions are stipulated principled problems arising with reference to the examination, registration, and introduction of science and technology.

In Chapter 1 are explained the general provisions beginning with the purpose and applicability of the provisions.

The purpose of the provisions is to positively contribute to the accomplishment of the technological revolution by thoroughly implementing the teachings of the great leader Comrade Kim Il-song and the intent of the party concerning doing a good job of examining and evaluating scientific and technological successes and introducing them in good time into the sectors of the people's economy. To that extent these provisions are applicable to organs, enterprises, and cooperative groups (hereinafter referred to organs and enterprises) that examine, register, or introduce scientific or technological products.

In these provisions, scientific and technological products refer to scientific and technological products that are more developed and of greater technological and economic effectiveness than the existing technology that are to be introduced into the economy, technological innovations (including inventions and original ideas), and advanced technology that has been brought in from other countries. Such scientific and technological products must be examined by the relevant scientific and technological organ before they can be introduced into the people's economy.

Scientific and technological organs must heighten their responsibility and role in the work of examining scientific and technological products.

According to the provisions, unified guidance and regulation of the work of examination, registration, and introduction of scientific and technological products is to be performed by the State Science and Technology Commission.

In Chapter 2 are explained the principled problems that must be observed in the work of examination and registration of scientific and technological products.

Doing a good job of the work of examination and registration of the products of science and technology has major significance in developing the country's science and technology.

According to the provisions, the work of examination and registration of the products of science and technology is to be performed, according to the item, by the State Science and Technology Commission, committees and ministries of the State Administration Council and other major organs, provincial S&T committees, industrial complexes, and factories and enterprises (hereinafter referred to as S&T examination and registration organs).

S&T examination and registration organs must know well when the examinations of S&T products are carried out and must thoroughly adhere to the requirements. Problems concerning this are explained in the provisions in concrete terms. The examination of S&T products such as new mechanical facilities and electronic and automation devices shall be carried out when a test product has been produced and operating tests have been completed and comprehensive designs have been made; the examination of S&T products relating to new materials and production technology processes shall be done when necessary testing procedures including intermediate plant stage and verified technical documents have been prepared. Also, the examination of S&T products such as new production methods, construction methods, operating methods, cultivating methods, and medical treatment methods must be carried out when technical documents verified through the applicable tests have been prepared and the examination of the S&T products introduced from or sent to other countries must be performed when the relevant technical documents have been drawn up.

Organs and enterprises wishing to have S&T products investigated must submit an Application for Examination and Registration of S&T Product to the relevant examination and registration organ. At this time, there shall also be submitted documents on technical questions and design questions or technical guidance manuals; in the case of foodstuffs, medical products, and measuring instruments, documents shall be appended explaining technical characteristics such as storage conditions, hygienic conditions, and inspection results.

The S&T inspection and registration organs shall investigate the S&T product and register the item itself and forward to the relevant examination and registration organ the item that is to be submitted for examination by the supervisory organ, appending an evaluation together with the necessary documents. The organ that has received the Request for Examination and Registration of S&T Product must process the examination within the period stipulated in the provisions. At this time the organ must thoroughly consider matters such as the appropriateness of the S&T content of the item, newly presented S&T content, level of attainment of technological and economic indicators, economic effectiveness, possibility of manufacture and introduction, the recipient of introduction, and its prospects.

If the S&T examination and registration organ investigates the S&T product and judges that it can be introduced into the people's economy, it must, after registration, give to the relevant functionary a "Certificate of Registration of New Technology" and notify the supervisory organ.

Such provisions concerning the examination and registration of S&T products will guarantee the objectivity and scientificness of the examination and serve as a legal guarantee for introducing the product into the people's economy in good time.

Let S&T examination and registration organs contribute positively to hastening the country's S&T development

by thoroughly adhering to the requirements of the legal provisions in the work of examination and registration of S&T products.

**[7 Sep 91 p 2]**

[Text] The great leader Comrade Kim Il-song taught as follows:

**"A system must be thoroughly established under which, when a review of a newly researched science and technology problem is completed, it is introduced into production."**

In Chapter 3 of the "Provisions Pertaining to the Examination, Registration, and Introduction of Scientific and Technological Products" principled problems arising with respect to the introduction of S&T products are explained.

It is assumed that S&T products will be introduced into the economy. Only by rapidly introducing S&T products is it possible to accelerate the achievement of an overall technological restructuring of the people's economy.

S&T examination and registration organs must responsibly set up measures for introducing the S&T products they have examined and registered.

The important thing here is to fully guarantee manpower, facilities, materials, and funds. According to the provisions, it is provided that the manpower required for the introduction of S&T products, including new technologies, can be utilized from among the employees and, when necessary and with the agreement of the relevant organs, manpower from other organs and enterprises can be temporarily mobilized and used. With respect to the introduction of urgent new technology, the materials and facilities owned by relevant factories and enterprises can first be made available on a loan basis.

In the introduction of an S&T product it is important to critique it on a regular basis.

According to the provisions, the organs and enterprises putting forth S&T products and the organs and enterprises introducing the S&T products are to act in concert and assume responsibility jointly for the results of the introduction of the S&T product. The organs and enterprises must regularly critique the pattern of introduction of the S&T product and establish proper measures against introducing incomplete S&T products.

Organs and enterprises that have introduced new technology must, after having introduced an S&T product for a period of one year, prepare a "Performance Report on New Technology Introduced" and submit it to the relevant S&T examination and registration organ. The S&T examination and registration organ must examine this and furnish a "Certificate of Introduction of New Technology" to the functionaries who rendered distinguished services in introducing the S&T product.

Such provisions with respect to the introduction of S&T products serve as a legal guarantee for enabling new science and technology to be introduced into the people's economy on a timely basis.

Chapter 4 of the provisions explains the problems relating to the evaluation of S&T nature and creation and introduction of S&T.

Doing a good job of evaluating S&T nature and creation and introduction of S&T has major significance in rapidly developing the country's science and technology. Only by doing a good job of evaluating S&T nature and creating and introducing S&T products is it possible for the broad masses to more highly display positiveness in S&T nature and creation and introduction of S&T.

We must do a good job of fairly evaluating those groups and functionaries who have performed meritorious services in creating and introducing S&T products. Organs and enterprises must socially accord special treatment to groups and functionaries who have performed meritorious services in creating and introducing S&T products and pay deep attention to properly awarding them state commendations. In addition, they must correctly address the work of evaluating them materially. In such a case, even though such evaluation be in accord with how much the introduced S&T product has proved its worth, it shall not exceed the scope set forth in the provisions.

In Chapter 5 of the provisions are explained matters concerning appropriate responsibility when the requirements of the provisions are violated and damages are inflicted on the state.

According to this, in a case where one irresponsibly performs the examination of an S&T product, a case where one introduces into production an S&T product that has not been examined by the S&T examination and registration organ and thereby inflicts damage on the state, a case where one delays the introduction of an S&T product, or a case where one does not do a good job of evaluating an S&T product, the responsible functionary of the organ or the enterprise shall be made to assume the appropriate responsibility in accordance with the circumstances.

Such provisions relating to the examination, registration, and introduction of S&T products guarantee the objectivity and scientificness of examination of S&T products and serve as a legal guarantee to accurately evaluate them and enable them to be introduced into the people's economy in a timely fashion.

By properly examining and registering according to the requirements of these provisions the S&T products that scientists, technicians, and workers have created and introducing them in a timely manner, all organs and enterprises must accelerate the technological revolution and achieve a new upsurge in production and construction.

## Factories, Mines Fulfill Yearly Quotas Early

*SK0611223291 Pyongyang KCNA in English 1506 GMT 6 Nov 91*

[Text] Pyongyang November 6 (KCNA)—Yearly assignments have been fulfilled one after another in different domains of the national economy of Korea.

Forty odd units of the Komdok mining complex, the nation's leading nonferrous metal ore producer, had hit their yearly targets by the end of October.

The Pyongyang Elevator Factory carried out its gross industrial output value plan at 105.4 percent on September 30. Now it is accelerating production to overfulfill its yearly plan by 20 percent by the end of the year.

The Sinwon Mine, the Unjon Fisheries Station and the Hamhung Valve Factory topped their yearly targets on all indices on October 20.

The North Hwanghae Provincial Geological Survey Corps, the Changyon Disabled Soldiers' Pharmaceutical Factory, the Chongjin Plating Factory and many other units filfilled their yearly assignments two months ahead of schedule.

## KCNA Reviews 5 Nov Pyongyang Press

*SK0511062091 Pyongyang KCNA in English 0454 GMT 5 Nov 91*

[Press review]

[Text] Pyongyang November 5 (KCNA)—Papers here today report that a friendship gathering with officials of the Chinese Embassy here took place Monday in conjunction with the China visit of the great leader Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea.

NODONG SINMUN carries news that immortal classic works of President Kim Il-song have been studied and disseminated in India.

It is reported in the daily that a letter came to President Kim Il-song from the participants in the meeting held in Peru on the occasion of the 46th founding anniversary of the Workers' Party of Korea and the month of support to the proposal for founding the Democratic Confederal Republic of Koryo.

The Togolese paper TOGO PRESES, introducing heads of state of different countries, said "President Kim Il-song is the greatest outstanding leader in the world", reports the daily.

According to the press, works of the dear leader Comrade Kim Chong-il have been studied and disseminated in various countries.

SINMUN SINMUN comes out with an article dealing with the noble traits of Comrade Kim Chong-il who has given eternal life to the heroic fighters of the People's Army who devoted their youth to the defence of the country in the period of the fatherland liberation war.

Given in the press are accounts of a meeting held in Pyongyang to mark the 45th founding anniversary of the Kumsong Political University and a central meeting held in Tokyo on the 45th anniversary of the introduction of secondary education for Koreans in Japan.

The econews columns of the press include reports that the Taean heavy machine complex is powerfully accelerating the production of ordered equipment and the Songjin steel complex is making new innovations in steel production.

Included in the South Korean news is a report that the "Democratic National United Alliance," a new permanent umbrella organization embracing dissident democratic forces of South Korea, will shortly be formed.

SINMUN SINMUN comments on "confidence mechanism" and the North's "acceptance of a nuclear inspection" cried for by the South Korean "prime minister" at a "Friday dialogue." A MINJU CHOSON analyst rebukes the South Korean authorities for opposing the adoption of a nonaggression declaration under the pretext of "confidence building".

The press informs the readers that the U.S. imperialists and the South Korean puppets continue ground, naval and aerial military exercises as part of the "Eagle 91" joint military manoeuvres, the South Korean puppets committed grave military provocations in the Demilitarized Zone and the U.S. imperialists trasferred a special warfare unit to South Korea from the Clark Air Base in the Philippines, bringing the situation to the brink of a war.

In an article SINMUN SINMUN exposes the separatist moves of the South Korean authorities. MINJU CHOSON says in an article that the "Wartime Host Nations Support Agreement" between the U.S. imperialists and the South Korean authorities is a dangerous one aimed at starting another war.

The visiting advisor to the Ugandan president told at an interview that the chuche idea is the great guiding idea of mankind, says SINMUN SINMUN.

Comrade Fidel Castro, speaking at the first convention of the Jose Marti Children's Corps, declared that the United States cannot conquer Cuba, reports the press.

Papers carry news that the Chinese representative at the United Nations condemned Taiwan's scheme to join the United Nations and trade and economic cooperation is being invigorated among developing countries.

SINMUN SINMUN introduces the development of pomiculture in Cuba.

The press deals with the current situation of the Soviet Union.

In an article SINMUN SINMUN says the U.S. imperialists are giving spurs to arms buildup and war preparations with South Korea as the foothold.

## South Korea

### No Tae-u 'Likely' To Meet PRC Minister

*SK0711032791 Seoul YONHAP in English 0254 GMT 7 Nov 91*

[Text] Seoul, Nov. 7 (OANA-YONHAP)—South Korean President No Tae-u and Chinese Foreign Minister Qian Qichen may hold talks here Nov. 12, when Qian arrives to attend the third Asia-Pacific Economic Cooperation Economic Cooperation (APEC) ministerial meeting, a government official said Thursday.

The two are likely to discuss diplomatic normalization and regional political issues at the meeting, the first high-level contact between the two nations since Korea's division 46 years ago.

Qian, as head of China's delegation of some 10 foreign and trade ministry officials to the APEC ministerial meeting Nov. 12-14, will attend dinner given by No for all chief delegates on the evening of Nov. 12.

The official said Korea hoped to arrange a separate meeting between No and Qian.

Assistant Foreign Minister for Policy Planning Yi Sui-yong is scheduled to meet with Qin Huasun, the Chinese Foreign Ministry's international organizations and conferences director, on the eve of Qian's arrival so the two can set the agenda for the No-Qian meeting, the official said.

The three Chinas—China, Taiwan and Hong Kong—are the three newest members of APEC, an economic consultation forum of 15 nations.

Korean Foreign Minister Yi Sang-ok is also set to meet Qian during the APEC session. They met at the United Nations Oct. 2.

Also to attend the APEC session are U.S. Secretary of State James Baker, U.S. trade representative Carla Hills, Japanese Foreign Minister Michio Watanabe, and the foreign ministers from the six member-states of the Association of Southeast Asian Nations (ASEAN).

The conference will deal with regional economic trends and issues, the Uruguay Round, the APEC work program and financing, and new membership.

It will adopt a joint APEC declaration on the last day and issue a separate statement expressing the "political will" of members for successful conclusion of the Uruguay Round.

Foreign Minister Yi and Trade and Industry Minister Yi Pong-so will alternately chair the APEC session.

### P.eferential Tariffs for PRC May Be Abolished

*SK0711114291 Seoul TONG-A ILBO in Korean 6 Nov 91 p 2*

[Text] Concluding that China's uncooperative attitude has delayed the signing of the ROK-Chinese trade agreement, the ROK Government has been considering abolishing the preferential tariff status it gives to China.

A government official concerned said on 5 November said that "no further negotiations have taken place since last August's first negotiations with China on signing a trade agreement" and that "the Chinese side will present a mere draft agreement in the second negotiations if held."

Our country presented its drafts, which were based upon the policy of simultaneously signing the trade agreement, the investment guarantee agreement, and the double-taxation prevention agreement, during last August's negotiations in Beijing. However, China was of the basic opinion that only the trade agreement would be signed on a private level and it did not present even a draft agreement.

Noting that China has been passive about signing the trade agreement and that it has levied tariffs from 5 to 50 percent higher on goods from our country, Israel, and South Africa than on goods from other countries, he said that the government is "considering abolishing our unilateral practice of giving preferential tariff status to China if China does not solve these problems before the end of this year."

### Prime Minister Phones North on Details of Contact

*SK0711102591 Seoul YONHAP in English 0951 GMT 7 Nov 91*

[Text] Seoul, Nov. 7 (OANA-YONHAP)—South Korean Prime Minister Chong Won-sik informed his North Korean counterpart, Yon Hyong-muk, Thursday that a working-level delegation would be at Tongilgak in the northern section of Panmunjom at 10 a.m. Monday as requested by the North.

Chong said in the telephone message that if the working-level officials finished adjusting the contents and wording of an agreement to be signed at the fifth round of inter-Korean high-level talks in Seoul Dec. 10-13, it would be an epoch-making turning point in improving South-North relations.

Commenting on the North's position on the ongoing military exercise "Foal Eagle '91," Chong said it was difficult to understand why the North tried to connect the drill with setting a date for working-level contacts in a message Tuesday.

"It is not desirable for your side to go on distorting the intentions of the defensive-oriented drill just ahead of the precious fruits of the talks," Chong said.

## Minister Views Effect of Japan-DPRK Talks

*SK0711051291 Seoul YONHAP in English 0410 GMT 7 Nov 91*

[Text] Seoul, Nov. 7 (YONHAP)—Deputy Prime Minister Choe Ho-chung said Thursday Japan should proceed its normalization talks with North Korea in a way contributing to the improvement of inter-Korean relations.

"Japan should recognize that its ongoing negotiation with North Korea has an important bearing on the future of the Korean peninsula, and, accordingly, must proceed so prudently as to contribute to the smooth development of the South-North (Korean) relations, and enhance peace and unification of Korea," Choe told the fourth Korea-U.S. security workshop now in session at the Korea Institute for Defense Analysis (KIDA) in Seoul.

The annual workshop is co-sponsored by the KIDA and the U.S. Center for Strategic and International Studies in Washington, D.C.

In a key-note speech on "Korean Unification in a New World Order," Choe said his government regards as most desirable that Japan had clearly made North Korea's renunciation of nuclear arms development as an absolute prerequisite for normalization.

Choe, who also is the national unification minister, said his government believed North Korea could not possibly pursue the isolationist policy much longer, adding "signs of such changes are not hard to detect."

"At the fifth round of the prime ministers talks to be held in Seoul on Dec. 10-13, we would like to reach an agreement on such issues as reconciliation and non-aggression as well as interchanges and cooperation as practical matters of a fundamental importance. We will also seek the establishment of working committees for the implementation of agreed matters... We are prepared to be flexible in dealing with the North Korean delegates," the deputy premier said.

Citing North Korea's nuclear development as one of the major issues hindering improvement of inter-Korean relations, he called on "all the relevant parties" including the United States, the Soviet Union, China and Japan to "positively cooperate" with South Korea in deterring such a development.

## Defector on North's Hidden Nuclear Facilities

*SK0711001491 Seoul THE KOREA HERALD in English 7 Nov 91 pp 1, 2*

[By staff reporter Kim Hye-won]

[Text] North Korea, if driven into a corner, may open to international inspection of its nuclear plants in Yongbyon, north of Pyongyang, but would never give up the underground nuclear installations in Pakchon, says Ko Yong-hwan, a former North Korean diplomat who has recently defected to South Korea.

He says the underground nuclear facilities in Pakchon, west of Yongbyon, have been built with North Korean technology unlike the Yongbyon plants that used much of Soviet technology. North Korea has a uranium mine in Pyongsan, Hwanghae-do, and is planning to build an atomic power plant in Sinpo, Hamgyongnam-do, according to Ko.

Ko, who often served as French-language interpreter for North Korean leader Kim Il-song, says the North Korean leadership seems determined to develop nuclear weapons as a means of preserving its system.

"Their determination seemed very firm. They apparently view nuclear capability as a last resort for preserving their system," says Ko, who is said to have been a close aide to North Korean Foreign Minister Kim Yong-sam. He was chancellor at the North Korean Embassy in the Congo until he left the post to defect to the South last March.

Ko sees no easy solutions to the North Korean nuclear question. In particular, he warns against any preemptive military attack on their nuclear facilities.

"In that case, the whole Korean Peninsula would be reduced to ashes. I'm afraid that such actions would only prompt Kim Chong-il to start a war with the South, he says. Kim, 49, is the eldest son and heir-apparent of North Korean President Kim Il-song.

Ko also doubts whether the Pakchon nuclear facilities could be destroyed by air attacks. North Koreans, he says, have built most other military facilities underground out of their fear of air attacks from the United States, from which they suffered a lot during the Korean War (1950-53).

"One hundred percent of the military facilities were built underground, even factories manufacturing uniforms and shoes for soldiers. If you take this into account, you cannot imagine North Koreans building plants for producing sophisticated strategic weapons on the ground," he says.

Ko is also doubtful whether nuclear inspectors sent by the International Atomic Energy Agency (IAEA) could find the hidden nuclear facilities even if Pyongyang accepts the inspection.

Most nuclear facilities are unknown to the North Korean public, even to some government ministers and vice ministers, he says. He himself does not have much knowledge about the Pakchon facilities, which are believed to have been built since the 1960s, he says, although he heard about Yongbyon from his brother who is an engineer working on the production of rockets for military use.

"Thousands of inspectors may not easily find these underground facilities in North Korea even when North Korea accepts international inspection," Ko warns.

The North Korean defector first mentioned the Pakchon nuclear facilities during his first news conference in Seoul in September. A Japanese scholar recently said he confirmed the existence of the facilities by reading satellite photos of the area.

Ko says if North Korea produces nuclear weapons, it would be in plants in Pakchon, not in Yongbyon.

Western specialists predict that North Korea will be able to produce nuclear warheads within a few years with the facilities in Yongbyon.

Satellite photos show that North Koreans are building nuclear processing facilities at the Yongbyon complex, where two nuclear reactors are located.

North Korea signed the Nuclear Nonproliferation Treaty (NPT) in 1985, but has refused to sign a nuclear safeguards accord with the IAEA in order to avoid international inspection of its nuclear facilities. Every NPT signatory is required to sign the accord.

North Korea has called for withdrawal of alleged U.S. nuclear weapons in South Korea as a precondition.

Since U.S. President George Bush's announcement of removal of all U.S. tactical nuclear weapons from the world, however, Pyongyang has come up with a new condition and demanded that Seoul give up U.S. nuclear umbrella protection.

"In my view, the North Koreans would full use the issue as a trump card in negotiation on diplomatic ties with Japan and the United States. When they judge that they can no longer endure international pressure, they may open the Yongbyon facilities but they would never give up other facilities," Ko says.

He notes that China has been pressuring North Korea to give up its nuclear weapons development. "Who would want to see others, however close they may be, possess guns?" he says.

Ko says the North Korean leadership started to realize that they could not beat the South in the conventional arms race in the mid- 1980s, and has put stress on the making of nuclear weapons.

## Defector Says North Continues War Preparations

*SK0711101191 Seoul YONHAP in English 0943 GMT 7 Nov 91*

[Text] Seoul, Nov. 7 (YONHAP)—North Korea is still keeping up preparations for war with South Korea even though it faces serious food shortages, the latest defector said in his first public appearance Thursday.

The North Korean Government estimated the food grain shortage at 1.5 million tons this year but there was no money to pay for imports, said Kim Yong, whose job was to earn foreign currency for the Paektusan Institute of Architecture.

The prime minister had told the Foreign Trade Ministry and three trading companies to import grain, but the plan was hampered by lack of hard currency, the 33-year-old North Korean told a news conference.

During a business trip to the island of Sakhalin last month, Kim fled to Europe and sought asylum in South Korea, the Agency for National Security Planning, which called the press conference, said in announcing the defection.

He arrived in Seoul on Oct. 17 but his defection had been withheld from public knowledge for protecting the inter-Korean prime ministers' talks Oct. 22-25 in Pyongyang from being affected, the agency said.

Kim said North Korea continued war preparations despite making a gesture toward peace by engaging in dialogue with the South.

Most North Korean factories had closed down due to electricity shortages, but military plants were running flat out, he said.

He said military factories were concentrated in Chagang Province and include the No. 93 Factory, which makes ammunition, the No. 26 Factory, which produces rocket shells, the No. 11 Factory, which turns out electronic weapons, and the No. 8 Factory, which makes special steel.

He said there was a massive explosion in the No. 26 Factory last winter that shattered windows within a 10-kilometer radius.

Kim said he was transferred from Pyongyang music troupe to a trading company in 1987 and moved in 1988 to the Paektusan Institute of Architecture, which is in charge of designing buildings and supplying building materials for special construction projects directed by Kim Chong-il, son and heir-apparent of North Korean President Kim Il-song.

Kim was in Sakhalin to buy furniture to be displayed in a show in Pyongyang on the orders of Kim Chong-il.

He said that he decided to defect to South Korea after he heard about life in the South from a South Korean movie crew filming "Myongja, Akiko, Sonya."

Kim left his mother, wife, a son, and two brothers behind in the North.

## Says 'Underwater Villas' Built for Kims

*SK0711094391 Seoul KBS-1 Radio Network in Korean 0800 GMT 7 Nov 91*

[Text] Mr. Kim Yong, who defected to South Korea last month, said there are scores of villas for Kim Il-song and Kim Chong-il in North Korea. He said one villa is under construction 100 meters deep underwater.

Mr. Kim Yong defected last month while working as the so-called foreign currency earning official at the Mt.

Paektu Architectural Institute under North Korea's Workers Party, which is tasked with the construction of villas for Kim Il-song and Kim Chong-il. In a news interview today, he said North Korea has been building a large- scale villa 100 meters underwater between Hamhung and Sinpo and will complete the construction in time for Kim Chong-il's 50th birthday next February.

Mr. Kim Yong, in regard to the scores of villas for Kim Il-song and Kim Chong-il, said that, in particular, the (Hongdu-ri) Guest House, Chagang Province, near the Chinese border, is to be used as an escape in time of war.

Mr. Kim Yong also said that there are approximately 50 joint ventures in North Korea, that mainly Korean residents in Japan and China have invested in the joint ventures, and that not much investment has been lured because of the inadequate supply of electricity and other difficult conditions.

Mr. Kim Yong also said that North Korea faces a food shortage of 1.5 million tons this year because of serious damage by blight and harmful insects, that people are suffering from serious food shortages as no grain is supplied for months at a time, and that trading companies have received quotas for grain imports.

In explaining why he decided to defect, Mr. Kim Yong said that under Kim Chong-il's handwritten instruction, he went to Sakhalin to buy furniture to be displayed at next year's furniture exhibition and that out of fear that he may be charged as a political prisoner for his failure to complete his business, he decided to defect.

## Burma

### Minister Attends Rome Food, Agriculture Meeting

*BK0611141191 Rangoon Radio Burma in Burmese 1330 GMT 6 Nov 91*

[Text] A Myanmar [Burmese] delegation headed by Lieutenant General Chit Swe, minister of agriculture and forests and livestock breeding and fisheries, left by a Myanmar Airways aircraft from Yangon [Rangoon] airport at 1330 today to attend the 26th conference of the Food and Agriculture Organization in Rome on 9-28 November.

The delegation was seen off at the airport by Major General Khin Nyunt, secretary-1 of the State Law and Order Restoration Council; Maj. Gen. Myo Nyunt, chairman of the Yangon Division Law and Order Restoration Council; Brigadier General Abel, minister of planning and finance and trade; U Ohn Gyaw, minister of foreign affairs; Mr. Oscar Lazo, resident representative of the Food and Agriculture Organization; and departmental heads and responsible officials of the Ministries of Agriculture and Forests and Livestock Breeding and Fisheries.

The minister was accompanied on the trip by Dr. Myint Thein, director general of the Planning and Statistics Department under the Ministry of Agriculture and Forests; U Tin Hlaing, managing director of the Myanmar Agriculture Enterprise; U Hla Pe, managing director of the Myanmar Timber Enterprise; U Kyaw Lwin, director of the Planning and Statistics Department under the Ministry of Livestock Breeding and Fisheries; U Tin Htut Oo, deputy director of the Planning and Statistics Department under the Ministry of Agriculture and Forests; and Captain Hla Maw Oo, personal aide to the minister.

## Brunei, Malaysia & Singapore

## Malaysia

### Deputy PM Regrets U.S. Move on Trade Forum

*BK0711063691 Kuala Lumpur Voice of Malaysia in English 0600 GMT 7 Nov 91*

[Text] Deputy Prime Minister Ghafar Baba said today it was regrettable if the United States had indeed asked Japan not to support the proposed East Asia Economic Caucus, EAEC. He was commenting on a local newspaper report which quoted a Japanese newspaper as saying that U.S. Secretary of State James Baker had sent a memorandum to the Japanese Foreign Ministry asking Japan not to support the EAEC. The Malaysian-proposed EAEC has been endorsed by ASEAN.

Mr. Ghafar said if what was reported was true, it was very regrettable because the EAEC is neither a military nor a trade bloc. He was simultaneously opening the UMNO [United Malays National Organization] Youth and Women Wing's general assembly in Kuala Lumpur. He reiterated that the EAEC was nothing more than a forum for discussion among countries in the region. Mr. Ghafar said Malaysia would persist with its efforts to form the EAEC.

### Defense Minister Denies Singaporean Intrusions

*BK0711071991 Singapore THE STRAITS TIMES in English 7 Nov 91 p 14*

[Text] Kuala Lumpur—The Defence Ministry yesterday denied reports and allegations that the Singapore Armed Forces [SAF] had intruded into Malaysian territory many times.

In a written reply to National Front MP Nawawi Mat Awin, Defence Minister Datuk Seri Najib Tun Razak said that "in the real sense", there had been no intrusions by the SAF either this year or in the preceding five years.

"Reports which said that there have been many intrusions into Malaysian territory by the Singapore Armed Forces are without basis and untrue," Datuk Seri Najib said.

He added that the use of Malaysian airspace by the Republic's air force was done under the supervision and with the knowledge of the Malaysian authorities.

"I am pleased to inform you that takeoffs and landings by SAF planes, including in southern Johor airspace, are under the control of the air control towers at Tengah, Paya Lebar and Seletar as has been fixed by the International Civil Aviation Organisation.

"Based on these facts, it is not true to say that Malaysia is a military target for Singapore," Datuk Seri Najib said.

He added that in the last five years, the Defence Ministry had seen no evidence of any intrusions "in the real sense" either of the airspace, land or sea by the Republic's military forces.

Dr Nawawi had asked the minister to verify newspaper reports that there had been numerous intrusions by the Republic's military forces.

He had also asked whether the frequency of RSAF [Republic of Singapore Air Force] planes flying over Malaysian airspace and the two crashes involving RSAF planes in Johor meant that Malaysia was a military target for Singapore.

Over the past two years, newspapers here have published reports quoting officials alleging that Singapore soldiers and aircraft had intruded into Malaysian territory.

Johor state government officials had alleged that SAF-issued rations had been found in the state while Deputy Minister for Home Affairs Datuk Megat Junid Megat Ayub had claimed that RSAF aircraft had violated Malaysian airspace.

The Johor authorities had also accused four SAF soldiers in a boat of intruding into its waters at Sungei Melayu in Gelang Patah on April 28, 1987. However, the SAF later explained that the soldiers had made an unauthorised

trip into Gelang Patah to buy prawns and had been disciplined for their actions.

The SAF said that there was no ulterior motive by the soldiers.

### Mahathir: Resist Western Presssure on Development

*BK0611150891 Kuala Lumpur Radio Malaysia Network in Malay 1430 GMT 6 Nov 91*

[Text] Malaysia will not bow to the pressure of developed countries which use various issues to hamper its development. Datuk Sri Dr. Mahathir Mohamed says environment has been used by the developed countries as a weapon to hamper Malaysia's development, while human freedom has been used as a weapon to force Malaysia to bow to their power. The prime minister says this in a foreword to a book on the annual report of the United Malays National Organization [UMNO] issued on the eve of the four-day 1991 UMNO General Assembly which will begin in Kuala Lumpur tomorrow.

According to him, Malaysia's efforts to establish the East Asian Economic Grouping are being sabotaged even though it will be simply a forum to exchange views and will never become an economic bloc similar to the ones being developed by the United States and European Community. Datuk Sri Dr. Mahathir reminded the people that the country is facing a great task, in this case a challenge to lay a solid foundation for achieving the goals of the Vision 2020.

## Singapore

### Minister Accepts SRV's Entry Into ASEAN

*BK0711033891 Jakarta KOMPAS in Indonesian 31 Oct 91 p 8*

[Excerpt] Singapore, KOMPAS—Singapore basically has no objection to Vietnam's joining ASEAN. If Vietnam's economic policies and political reforms have developed to the same level as ASEAN's, there is no reason why Vietnam cannot be accepted as an ASEAN member.

Singapore Foreign Minister Wong Kan Seng made these remarks at his office on 29 October in an interview with Indonesian journalists from KOMPAS and JAKARTA POST dailies, TEMPO magazine, and ANTARA NEWS AGENCY. Wong added, however, that Vietnam's entry into ASEAN cannot be realized in the near future because that country needs at least three years to reconstruct its economy. Vietnam must also prove its goodwill in this area.

At the same time, the six ASEAN member countries must also consolidate their position in line with the rapid and fundamental changes currently taking place in the world. [passage omitted]

### PRC's Yunnan Province Governor Arrives for Visit

*BK0711120891 Singapore Singapore Broadcasting Corporation in English 1100 GMT 7 Nov 91*

[Text] The governor of China's Yunnan Province, Mr. He Zhiqiang, arrived today for a six-day official visit. He is here at the invitation of the deputy prime minister and minister of trade and industry, Brigadier General Lee Hsien Loong. The Ministry of Trade and Industry says the aim of Mr. He's visit is to discuss investment and trade opportunities in Yunnan Province [words indistinct]. Mr. He will leave Singapore on Wednesday.

## Cambodia

### CPP Receives Greetings From Cuban Counterpart

*BK0711071891 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 7 Nov 91*

["Message of Greetings" to the Cambodian People's Party Central Committee and Chea Sim from the Communist Party of Cuba Central Committee—date not given]

[Text] The Communist Party of Cuba [PCC] Central Committee would like to convey the warmest greetings to the extraordinary national congress of the Cambodian People's Party [CPP] Central Committee and His Excellency Chea Sim on his appointment as the CPP Central Committee chairman.

The PCC Central Committee would like to express its sentiments of friendship and solidarity with the CPP Central Committee and its hope that the relations between our two parties will continue to develop.

### Ministry Meeting Held To Support CPP Congress

*BK0611082391 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 6 Nov 91*

[Text] A solemn meeting presided over by Nguon Nhel, member of the Standing Committee of the Cambodian People's Party [CPP] Central Committee and agriculture minister, was held at the Ministry of Agriculture on the morning of 5 November to voice support for the recent extraordinary national congress of the Cambodian People's Party. Some 700 cadres, staff, and workers from all services of the ministry attended the meeting.

On that occasion, Nguon Nhel gave the audience an account of the outcome, stressing that the congress has considered His Excellency Hun Sen's address as an annex of the CPP's political program adopted on 18 October. Nguon Nhel asserted that the CPP's political platform is clear evidence of its goodwill to bring about genuine peace and democracy to the motherland and to bring together national union forces without discrimination against precedents, social status, religious beliefs, or

nationality. The CPP has adopted a free-market economic system to ensure the people's rights to ownership and production activities and to promote rural development with the aim of narrowing the gaps between the countryside and city.

Taking the floor, (Tan Song-i), representing the audience, said: The cadres, staff, and workers of the Ministry of Agriculture fully support the outcome of the CPP's extraordinary congress, which has defined a political line characterized by its historic nature and reflecting the tenacious struggle carried out by the party and people to continue rebuilding a Cambodia with independence, peace, freedom, democracy, neutrality, and social prosperity. He stressed that all the Agriculture Ministry's personnel will heighten their spirit and strive to perform their respective duties to jointly and scientifically promote the agricultural sector and to develop rural areas.

## Cambodian Labor Order Conferred on Lao Envoy

*BK0411100591 Vientiane KPL in English 0902 GMT 4 Nov 91*

[Text] Vientiane, Nov 4 (KPL)—President of the State Council Heng Samrin has decorated Lao Ambassador Thongsoukhoun Phounsavan with second-class labour order before the termination of his diplomatic assignment in Cambodia, reports SPK.

While taking leave of President Heng Samrin, who is also honorary president of the Cambodian People's Party, the outgoing Lao ambassador expressed profound thanks to the Cambodian party and government for the honour conferred to him and for the favourable conditions and assistance given him to fulfil his diplomatic mission in Cambodia.

After hailing the long-standing solidarity between the Lao and Cambodian peoples in their common struggle for peace, friendship, and cooperation, the Lao diplomat acclaimed the political program and the new amended statue of the Cambodian People's Party adopted at its recent extraordinary congress. He also warmly welcomed the outcome of the latest Paris international conference on Cambodia, which led to the signing of a peace agreement among the Cambodian conflicting groups.

## VOK Station Editor Makes Anniversary Statement

*BK0711060991 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 6 Nov 91*

[Statement by station editor Pol Ham to mark the Voice of the Khmer radio's sixth founding anniversary on 6 November—recorded]

[Text] My respects to the revered clergy and beloved compatriots, the listeners of the Voice of the Khmer [VOK] radio.

Today, 6 November 1991, is the sixth founding anniversary of the short-wave VOK radio. To date, VOK has been in existence for six years. The short-wave VOK radio broadcast, which is listened to by compatriots throughout the country, has been jointly set up by the two noncommunist Cambodian fronts—the Khmer People's National Liberation Front [KPNLF], under the leadership of His Excellency Son Sann, and the National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia [FUNCINPEC], headed by Prince Norodom Ranariddh.

The VOK staff from the two fronts are working together for the same objectives—the liberation of the Cambodian nation from the Vietnamese aggressors and the achievement of national reconciliation of equal footing based on the principle of genuine freedom, and democracy, and self-determination.

The VOK radio was actually established before 6 November 1985. We set up a radio broadcast called Voice of the KPNLF in May 1981, which operated in dire need for everything. We nonetheless strived to successfully fulfill, apart from supplying education and entertainment programs, our role in providing credible news to Cambodians under the KPNLF administration to prevent them from being misled by the enemy.

Our radio gradually expanded, and its name changed from KPNLF radio to the present VOK radio as a contribution to the cooperation between our two Cambodian nationalist fronts. At the end of 1983, two medium-wave radios were put in place—one by the KPNLF, which compatriots in the west of the country, especially in Battambang Province, can listen to; and the other by the FUNCINPEC, which can be heard mostly in Siem Reap and Oddar Meanchey Provinces. It was only on 6 November 1985 that more short-wave bands, which compatriots are currently listening to, were put into operation with the cooperation of the two Cambodian nationalist fronts.

The short-wave VOK radio can be heard throughout the country on 6325 kHz or the 49-meter band. VOK pledges to firmly maintain its principle of serving its compatriots and listeners of all political leanings by the providing news that you need. We present only genuine news and always indicate its source to help you judge its authenticity for yourselves. We broadcast the news we have received so we can protect our Cambodian people throughout the country from being deceived and misguided by the enemy's lies. We do our utmost in the education field to educate our children widely. This contrasts with the communist group, which has imbued Cambodian children with the communist ideology in order to use them as instruments of the party. We provide the Cambodian people with a modern liberal and political education and present them with all kinds of views for their profound judgment. We broadcast programs on Cambodian traditions and customs, but we never hinder people from learning about international civilizations. For entertainment, we present all kinds of artistic preformances for our combatants, youths, and the elderly, who enjoy the distraction in their old age.

As we believe that the VOK belongs to Cambodians from all political tendencies, the radio should present an assortment of dishes for our listeners from all walks of life. At present, VOK has a daily broadcast of 11 and ½ hours on working days and 12 and ½ hours on Sunday.

Dear ladies and gentlemen and compatriots, our listeners: Though in existence for six years, VOK is still very inexperienced, and we welcome constructive criticism from listeners from all strata. We have received letters from listeners everywhere, including Cambodia, Japan, Singapore, Malaysia, Thailand, Europe, Africa, America, Australia, New Zealand, and others. Availing myself of this opportunity, I would like thank listeners for their critiques, which really constitute a remarkable encouragement.

As VOK belongs to Cambodians of all political leanings, it always welcomes any contribution from listeners and invites them to participate as staff members or to assist in improving its programs.

Dear listeners: The radio's seventh year of operation finds Cambodia at a crossroads where elections will be organized in a liberal manner under UN supervision. This comes after the four Cambodian parties agreed to sign a peace accord in Paris recently. That being the case, should VOK redefine its goal in serving the Cambodian people? Our objective during the foreign invasion against our country and nation was to join forces to liberate the country. So, after the foreign forces completely and genuinely withdraw from Cambodia, VOK should have a new role in serving the Cambodian nation and people. This is nothing but promoting true democracy and genuine peace and jointly rebuilding Cambodia and the Cambodian natior.

At present, VOK is organized and administered by the two noncommunist parties. In the future, to collectively promoting national reconciliation, VOK will accept cooperation from all parties to serve the Cambodian people more effectively, provided this cooperation aims to sincerely serve the interests of Cambodia and the Cambodian people. So far, we have achieved a great deal for the people, and we hope that they will be crowned with the ultimate victory at all times.

Dear listeners: On this occasion, VOK wishes its listeners all the best and the Cambodian people throughout the country a happy and peaceful life.

In its seventh year of broadcast, our radio pledges to continue its all-out effort to serve its listeners until we achieve success in the future in keeping with the ardent desire of the Cambodian people.

The Cambodian people's ultimate victory can only be achieved when the people are endowed with the full rights to elect a political regime which does not shut its mouth, close its eyes, or block its ears, more specifically, when they can enjoy their rights in casting ballots to select a government that truly loves the people, democracy, freedom, and the Cambodian nation's Buddhist religion. To achieve the victory, VOK vows to always side with the Cambodian people. Thank you.

## Bank Introduces New Banknotes To Stem Inflation

*BK0511033191 Bangkok THE NATION in English 5 Nov 91 p B12*

[Text] Phnom Penh on Saturday introduced 200 million Riel worth of new 500 banknotes into the economy as one of the measures to fight the country's soaring inflation.

Chu Rieng, director of the Cambodia's Central Bank, made the announcement last Friday. But until Sunday not many people had seen the new banknotes as it was a weekend.

The 100 Riel banknote used to be the biggest denomination until the country's economy started to boom following more foreign confidence in trading, doing business and investing in the country. The Phnom Penh Government has introduced several incentive measures to attract foreign investors and businessmen including pledges to honour all contracts and agreements signed before a new government is formed after the general election to be held within the next two years.

At the same time, Phnom Penh has tried to maintain its foreign exchange by placing the official foreign exchange rate comparatively equal to the black market one.

So far the Thai Commercial Bank is still the only foreign bank to open branches in Cambodia. Banks from Hungary, Canada, Hong Kong will also open their branches in the country soon.

## Industry Ministry Reports on Foreign Investments

*BK0411062191 Phnom Penh SPK in French 0411 GMT 4 Nov 91*

[Text] Phnom Penh 4 Nov (SPK)—Since the state's new economic policy was implemented in 1989, 22 state factories and enterprises in Phnom Penh have been privatized through leasing, according to the Industry Ministry.

The milk factory, the distillery, and the oil storage facility in Russey Kev in the northern suburb of Phnom Penh have been leased out, and mechanical worskshop No. 3 has been sold to a Thai industrialist. The sawmill-brick kiln at Kilometer 10 and mechanical workshop No. 1 have been leased by K.C.G. Sin, an association of Khmer residents in the United States, which will also undertake the renovation of two markets in central Phnom Penh, "Olympic" and "O Russey".

Textile factories Nos. 2 and 3, respectively in Russey Kov and Tuol Kork, have been rented to a Thai firm "Fuldaa," while the flour-mill and the glass factory have been respectively leased to French and Australian companies.

The National Committee for Investments has furthermore signed leases with many foreign firms of eight other industrial enterprises, including soft drink factories Nos.

1 and 2, a canvas-shoe factory, and a plywood factory. The leasing of 13 more enterprises is being discussed: a sodium glutamate factory, a tire retreading factory, the Cambodian tire company, textile factories Nos. 1, 4, and 5, a spinning-mill, a plastics company, bicycle tire factories Nos. 1 and 2, among others.

Last month, the Industry Ministry concluded agreements on oil exploration with the French-British consortium "CEP" and "Enterprise Oil" and the Hungarian firm "Nawa Oil Company."

## Phnom Penh To Open Special Press Center

*BK3010030591 Bangkok THE NATION in English 30 Oct 91 p a6*

[Text] Cambodia's general post office will open a special press centre with cardphones, telexes and facsimile machines in a bid to ease the lives of hundreds of harried hacks covering the return of Prince Norodom Sihanouk.

Australia's OTC International, which last year installed an earth satellite station here linking Cambodia to the rest of the world through the Intelsat system, will install the equipment in Phnom Penh's central post office building.

OTC International representative Stig Engstrom said the equipment would be air freighted from Australia and his company would be setting up 15 cardphones, two fax machines and five or six telex machines.

US$50 and $100 cards will be made available with displays showing how much value was left.

The press centre should be ready by Nov 8 and would be operational 24 hours a day, Engstrom added.

"It will, at least, be working before Snooky arrives," the Swedish executive said in a reference to former Cambodian Monarch and one-time nominal resistance leader, Prince Norodom Sihanouk.

Engstrom noted that with a digital exchange installed earlier this year, "we are up to 30 circuits out of the country", with the ability to double this capacity in just two hours.

Hundreds of journalists, tourists and overseas Khmers (Cambodians) are expected to descend on neglected Phnom Penh to cover the prince's return after 13 years in exile.

His arrival in the Cambodian capital will put a final seal on the peace agreement signed in Paris last week between the Phnom Penh government and the three resistance parties, one of which is headed by a son of the prince.

It will also put a severe strain on the primitive infrastructure and facilities of the city, which has only one international class hotel and just 250 telephones with access to international direct dialling.

Foreign Ministry officials said that as of Monday afternoon 347 foreign journalists had applied for accreditation to cover the return of Prince Sihanouk, including the top four international news agencies and major US, European and Japanese newspapers and television and radio networks.

Some will be bringing in their own portable, but highly expensive, communications systems.

Overseas journalists last descended on Cambodia in large numbers during the September 1989 final withdrawal of Vietnamese troops, who had been sent to the star-crossed nation to oust a brutal Marxist Khmer Rouge regime.

Journalists who were here then remember the queues of hacks outside the post office, frantic to get at one of the two or three telephones at their disposal.

The calls were then routed via Moscow through the decrepit, expensive and time-consuming Intersputnik system, but this was the only answer for correspondents on clipped budget who were unable to afford the exorbitant rates charged by the news agencies for filing via their portable dishes.

Hopefully jornalists will have it easier with an enlarged and swifter system that will help them meet deadlines and appease editors.

"We hope it will work rather well," Engstrom said, warning that if everyone tried ringing the same country at once, such as Thailand, "it will be hell".

## Leaders Attend Icon Sanctification Ceremony

*BK0611141591 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 6 Nov 91*

[List of leaders comprising the presidium of a ceremony held in Phnom Penh on 6 November to return a sacred icon from the Silver Pagoda to its newly restored shrine on the river bank in front of the royal palace]

[Text] At 0800 the presidium members and both national and international guests of honor successively arrived at the shrine.

Coming in, among others, were: Mr. Heng Samrin, honorary chairman of the Central Committee of the Cambodian People's Party [CPP] and chairman of the Council of State of the State of Cambodia; Mr. Chea Sim, chairman of the CPP Central Committee and chairman of both the National Assembly and the Front's National Council; Mr. Say Phuthang, member of the Standing Committee of the CPP Central Committee, chairman of the Control Commission of the CPP Central Committee, and vice chairman of the Council of State; General Bou Thang, member of the Standing Committee of the CPP Central Committee and vice chairman of the Council of Ministers; Mr. Chea Soth, member of the Standing Committee of the CPP Central Committee and

vice chairman of the Council of Ministers; Mr. Say Chhum, member of the Standing Committee of the CPP Central Committee and standing vice chairman of the Council of Ministers; Mr. Mat Ly, member of the Standing Committee of the CPP Central Committee and vice chairman of both the National Assembly and the Control Commission of the CPP Central Committee; Mrs. Men Sam-an, member of the Standing Committee of the CPP Central Committee and chairman of the Cambodian Federation of Trade Unions; Mr. Nguon Nhel, member of the Standing Committee of the CPP Central Committee and minister of agriculture; Mr. Ney Pena, member of the Standing Committee of the CPP Central Committee and vice chairman of the Control Commission of the CPP Central Committee; Gen. Sin Song, member of the Standing Committee of the CPP Central Committee and minister of interior; Mr. Sim Ka, member of the Standing Committee of the CPP Central Committee and chairman of the Phnom Penh city party committee; Lt. Gen. Pol Saroeun, member of the Standing Committee of the CPP Central Committee, deputy defense minister, and chief of the General Staff of the Cambodian People's Armed Forces; and Mr. Kong Sam-ol, member of the CPP Central Committee, vice chairman of the Council of Ministers, and minister in charge of the Cabinet of the Council of Ministers.

## Indonesia

### Opposition Demands More Democratic Elections

*BK0611150191 Hong Kong AFP in English 0855 GMT 6 Nov 91*

[By Pascal Mallet]

[Text] Jakarta, Nov 6 (AFP)—Indonesia's official opposition is becoming bolder to the point of demanding that the legislative election of June 1992 conform more to democratic norms of free elections. The Moslem-based United Development Party (PPP) stated Monday that some four million civil servants ought no longer to be forced to vote at their workplace so that they could escape possible pressure from their superiors.

"The moment has come" to have another look at the "mono-loyalty" of the civil servants to the ruling Golkar party, Ismail Hasan Metareun, the PPP chairman, said. "The election of 1992 ought to reflect a more democractic political situation with a greater spirit of openness," he told a PPP leadership meeting.

Indonesian President Suharto has declared himself many times in favour of full "openness" on condition that the country's stability was not affected. "The Golkar must gain popular support at elections in a democratic manner," Suharto said on October 27.

The PPP, supported up by the other legal opposition party, the Christian and nationalistic Democratic Party of Indonesia (PDI), estimates that it is time to end the system which has helped the ruling party win all four elections held since 1967. In the last elections for the 400-seat legislature in 1987, Golkar won with 73 percent of the vote, the PPP received only 16 percent and the PDI only 11 percent.

Between 1969 and 1985 Indonesian civil servants were automatically members of Golkar. Although no longer compulsory, adherance remains high among state employees, a trend found in many countries with single or dominant political parties. Civil servants have always voted at their offices, and during the past 20 years their vote has been almost exclusively for the Golkar.

"To force all civil servants to be loyal towards a certain party, that violates the ethics of Indonesia and the 1945 constitution," the leader of the PPP said.

On Tuesday Home Affairs Minister Rudini replied that civil servants were free to vote for any of the three authorized parties, as long as they asked permission from their superiors, KOMPAS newspaper said Wednesday.

But this is not the only liberal demand by the two opposition parties. The PPP and the PDI have also insisted during the past three months that the elections be held during a nonworking day to allow everyone to vote near their homes. In spite of their liberal aspirations, PPP and PDI candidates for the June 9 elections had to respond in August to a questionnaire from the army special service, as did Golkar candidates.

This questionnaire is confidential, but according to leaks, prospective candidates were forced to divulge all their addresses since birth. They also had to respond to the question, "who is your idol?" Even incumbent MPs, despite protests from some of them, had to comply with this procedure begun at the end of the 1960s to combat communists and all those who rejected the official ideology of "Pancasila, notably extremist Moslems."

### Airlines Preparing To Stop Singapore Transit

*BK0711021891 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 7 Nov 91*

[Text] Communications Minister Azwar Anas has told Garuda national airlines to get ready to skip Singapore as the transit point for its European-bound Boeing 747 aircraft. The minister made the remarks after Garuda Airlines asked Singapore to stop its Singapore-Jakarta route using Boeing 747 planes.

Speaking to reporters after attending a plenary session of parliament's ad hoc committee in charge of ratifying a bill on traffic and transportation in Jakarta yesterday, Minister Azwar Anas said that, if Garuda stops using Singapore as its transit point, Bangkok will be one of the possibilities to replace it, and Garuda must prepare for this eventuality.

Meanwhile, in its hearing chaired by committee chairman Bomer Pasaribu yesterday, the parliament's ad hoc committee failed to ratify the bill due to unresolved deliberation on certain clauses concerning criminal and

insurance aspects. The ad hoc committee, comprising parliament's four factions, simply failed to reach an agreement and decided to extend the hearing sessions.

## Bank Governor on Overseas Loan Limit, Reserves

*BK0611050391 Jakarta SUARA PEMBARUAN in Indonesian 20 Oct 91 p 1*

[Excerpts] Jakarta, 20 October—Central Bank Governor Adrianus Mooy has said that foreign banks have welcomed the Indonesian Government's decision to limit overseas commercial loans, because they believe that these loans have surpassed the limit allocated for a country.

"Indonesia's move is aimed at helping these foreign banks to prepare more effective loan programs," said Mooy to reporters at Merdeka Palace on 19 October after he briefed President Suharto on the outcome of the World Bank meeting in Thailand.

Mooy noted that the overseas commercial loans to the country were issued because those who wanted to sell their goods to Indonesia had exerted pressure on these banks. Mooy said: "These foreign banks had to give loans as a service to their customers. With the Indonesian Government's decision, they are now freed from these pressures. In any case, the amount of the loans has surpassed its limit."

The Central Bank governor added the World Bank saw that Indonesia was a country which dared to take high risk by making such a decision, but it was also aware the decision was made for the overall benefit of the national economy. [passage omitted]

Speaking on the country's foreign reserves, the Central Bank governor said Indonesia now has $9 billion to $9.5 billion of foreign reserves. The amount saw a slight decline for the August/September period, because the country had to make a higher installment of loan repayment than those in the previous months. It is hoped, however, that the country's foreign reserves will grow in the coming months with the allocation of new funds given by the IGGI [Intergovernmental Group on Indonesia]. [passage omitted]

## SRV's 'Immediate Entry' Into ASEAN Urged

*BK0711092191 Jakarta MERDEKA in Indonesian 1 Nov 91 p 4*

[Editorial: "Vietnam To Join ASEAN"—italicized passages in English]

[Text] In fact, the signing of a peace treaty in Paris ending the 13-year Cambodian conflict does not automatically mean that all of Southeast Asia's regional problems have been settled. The desire of Indochinese countries, especially Vietnam, to join ASEAN is just at the talking stage.

Vietnam's immediate entry into ASEAN will greatly contribute to stability and security in Southeast Asia as a whole. Potential seeds for a conflict in the oil-rich South China Sea will be removed, and the sea will thus become a potential area of cooperation between the Indochinese and ASEAN countries.

Similarly, Indonesia and Vietnam will be able to delineate their continental shelf comprehensively, not just bilaterally. In fact, it is very realistic to consider multilateral or regional approaches in anticipation of political developments in Southeast Asia.

Bilateral approaches between each ASEAN member and Vietnam could give an impression that countries grouped in ASEAN are not cohesive. Moreoever, it would be very ideal for ASEAN to group the current members and the three Indochinese countries—Vietnam, Cambodia, and Laos.

A new ASEAN made up of the six current members and three new members is expected to create a solid economic and trading bloc in Southeast Asia which will have a *bargaining position* that can anticipate the impact of globalization and regionalism. We will not lose out to "New Europe" or "New America" (the United States, Canada, and Mexico).

Regionalism, especially in the form of economic and trade cooperation, is developing among Latin American and South Asian countries. In short, groups of the world community have sought similar interests, especially in the economic and trade fields since the end of the cold war.

In this regard, we remember Vietnamese Prime Minister Vo Van Kiet's remarks that immediate neighbors are more useful than relatives who live far away. Why should two potential regions in Southeast Asia immediately establish an alliance? This is not simply for geogprahical reasons.

More than that, this is also motivated by geopolitical and geoeconomic considerations prior to the coming of the Asia-Pacific Age in the 21st century. Lately, we have noticed economic maneuvers of industrialized countries in Indochina since the Cambodian peace treaty was signed.

If ASEAN adopts a nonchalant attitude, it should not be surprised at the prospects of industrialized countries turning the three Indochinese countries into a *bumper* to "overshadow" the ASEAN economic strength. We all know that the economic situation, especially in Southeast Asia, will be very difficult in 1992.

In fact, we are racing against time to admit Vietnam and its Indochinese allies into ASEAN. We will be successful if we move fast. If we are late, we will eventually gain nothing. We should not ignore Vietnam, Cambodia, and Laos, which are now turning their attention to ASEAN.

Political and economic polarization in the world is changing so drastically and dramatically that a slow anticipation of these developments and changes will be counterproductive. We will have only two alternatives. *Take it or leave it!*.

Current drastic and dramatic changes in Indochina should prompt ASEAN to act faster than ever before because the history of all Southeast Asian nations cannot wait for us too long to do so.

There is an ever pressing need for an alliance between Indochina and ASEAN, as all Southeast Asian nations are looking forward to the Asia-Pacific Age in the 21st century. Will Southeast Asia again become just a "market" for products of developed Asian, North American, or European countries or will it become a factor with a dependable *bargaining position*?

## Editorial Views Suspension of Portuguese Visit

*BK0711024491 Jakarta THE INDONESIA TIMES in English 1 Nov 91 p 2*

[Editorial: "Portugal's Suspension of Timor Visit"]

[Text] Reading the official statements from Lisbon and edited stories disseminated by a British news agency about Portugal's decision to delay its fact-finding trip to Timur Timor planned for this month, Indonesia is made to look like the bad guy whereas Portugal gets the good guy role. Foreign Minister Ali Alatas said nonetheless he was optimistic that the Portuguese suspension of the long-awaited visit by parliamentarians from Lisbon to the Indonesian province of Timur Timor would not affect the international image of Indonesia.

Portugal announced it was postponing the trip because Indonesia had vetoed the inclusion of a Lisbon-based Australian free-lance journalist, Jill Jolliffe. She was to have been one of six foreign journalists selected by Portugal to join its fact-finding delegation to Timur Timor.

Under a tripartite agreement reached with the United Nations, Portugal and Indonesia could each take ten local and six foreign reporters on the 12-day visit to Timur Timor. However, the accord also states that each side could reject any foreign journalist chosen by the other party.

Jolliffe is banned from entering Indonesia for her anti-Indonesia and pro-Fretelin [Revolutionary Front for an Independent East Timor] articles. The Lisbon authorities could have replaced her with another reporter but decided instead to freeze the entire project.

The Portuguese persisted on retaining her as a team member. Not satisfied with that, they put Indonesia on the dock with wild but convenient accusations about "violation of the fundamental principles of the right to inform and be informed."

By making the accusation and delaying the trip it was pursuing an outdated trick to discredit Indonesia internationally. It used the same tactic in 1987.

Why the former colonial ruler behaved the way it did is therefore hardly a surprise. It is, in fact, stubbornly continuing a losing game that is by design aimed at sabotaging the process of reaching an international settlement of its dispute with this country.

The authorities in Lisbon could have named another accredited foreign reporter to join the delegation. However, if he or she should again be someone who is persona non grata, then under conventional international practice it is within Indonesia's right to impose its veto.

## Editorial Draws Lessons From Cambodian Problem

*BK0511062591 Jakarta KOMPAS in Indonesian 24 Oct 91 p 4*

[Editorial: "The Cambodian Problem, an Expensive Lesson for Southeast Asia"—italicized passages in English ]

[Text] For ASEAN, the signing of the Cambodian peace accord in Paris is proof of its success in opposing one country's efforts to impose its will on another. ASEAN firmly rejected Vietnam's invasion of Cambodia and its subsequent installation of a puppet regime backed by its military might. A rejection based on self-interest alone would not have been successful if it had not been supported by extensive diplomatic campaigns by the five ASEAN member countries at various regional and international fora.

This rejection was necessary, because Vietnam's invasion of Cambodia had violated one of the basic principles of the UN Charter. But what is more signficant is that the rejection was based on a common interest to uphold absolute respect toward the national sovercignty of a nation in Southeast Asia, which has enjoyed independence for less than 50 years. Equipped with these two principles, ASEAN mobilized support from both developed and developing countries against the background of the cold war in the early 1980's.

Thanks to the Cambodian conflict, ASEAN's reputation has shot to international fame. Diplomats who attended international conferences came to know the so-called "ASEAN views," which basically represented the interests of the regional grouping's members as well as of Southeast Asian countries in general. At that time, ASEAN launched campaigns stressing the relevant interests of countries whose assistance ASEAN wanted to enlist. In any international forum, ASEAN diplomats always consulted one another in formulating their common stand and worked together to put it into action while keeping in mind their own national interests.

In solving the Cambodian problem, a process of converging views among ASEAN member countries soon emerged and became stronger, but this was also accompanied by flexible and realistic actions.

Phnom Penh, the capital of Cambodia, fell into the hands of Vietnamese forces and the Heng Samrin-Hun Sen rebel forces on 8 January 1979 when Indonesia was chairman of the ASEAN Standing Committee and Mokhtar Kusumaatmaja had just assumed the post of

Indonesian foreign minister for only a few months. The next day, in his capacity as chairman of the ASEAN Standing Committee, Mokhtar issued ASEAN's first statement expressing concern over the escalation of the Vietnam-Cambodia conflict and its impact on the region. The statement also called on the warring parties to pay attention to the UN Charter and the Ten Principles of Bandung Declaration as well as the importance of peace and stability for development, and urged the UN Security Council to take appropriate action.

The first statement did not sound tough because of the uncertain situation in Cambodia at that time. However, five ASEAN foreign ministers met in Bangkok three days later to discuss the situation and issued a stronger statement, albeit with cautious wording and tone. The statement said ASEAN regretted the armed invasion against Cambodia without mentioning Vietnam and called for the withdrawal of foreign troops from that country.

ASEAN's stand on Cambodia became stronger, in particular due to the arrogant attitude of Vietnam, which began talking about the unification of the entire Indochinese region and stressed that the situation in Cambodia was *irrevocable*. This stand made it difficult to reach a settlement.

ASEAN was also facing a hard time, as the United States and the PRC adopted a tough but negative stand. These two countries had based their stand on their own bilateral relations with Vietnam and they put a strong emphasis on punishing Vietnam rather than seeking a comprehensive solution to the problem. As such, the International Conference on Kampuchea in New York in July 1981 was a complete failure. For many years, the Cambodian problem faced a stalemate, as there was only mutual hostility and no real dialogue. The outflow of Vietnamese and Cambodian refugees, meanwhile, became a global issue.

It was also ASEAN that coined the term comprehensive solution, which means that it is a solution which aims not only at settling the international legal aspect of the Cambodian problem, but also at creating a political situation which will prevent Cambodia from becoming another source of conflict for any country. As such, ASEAN believes that a solution to the Cambodian problem will be acceptable and long-lasting only if the valid interests of all parties in Southeast Asia are recognized and safeguarded.

The stalemate came to an end when ASEAN initiated a direct dialogue with Vietnam through the *interlocutor* role of Foreign Minister Mokhtar Kusumaatmaja, who had tried several modes of discussions from the *proximity talks* to *cocktail party*. The secret to the success of the new approach was in the informal nature of the talks even though the opposing sides had to sit down at the same table. A series of these meetings led to the convening of the recent Paris Conference, which had finally produced the comprehensive solution to the Cambodian problem.

For ASEAN, a settlement to the Cambodian problem is an important milestone in its efforts to turn the region into a friendly, stable, and development-minded area. Vietnam learned a tough lesson from its action against Cambodia. For Cambodia itself, whatever political system it will adopt or who will be in power, a host of peace-time problems await solution by whatever means, except military. The lesson for all Southeast Asian countries is that they should understand that a minor problem, which earlier looks like a bilateral one, may later develop into a regional and even complicated international one. The unfortunate thing is that coping with the impact of such a seemingly minor problem requires a lot of money as well as extra effort.

## Laos

### Khamtai Siphandon Greets New Japanese Premier

*BK0611134791 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 6 Nov 91*

[Congratulatory message from Prime Minister Khamtai Siphandon to Japanese Prime Minister Kiichi Miyazawa on 6 November]

[Text] On the occasion of your appointment as prime minister of Japan, on behalf of the Lao People's Democratic Republic [LPDR] Government, the Lao people, and in my own name, I would like to extend my warm congratulations and best wishes to your excellency. I wish you good health and brilliant success in carrying out your esteemed obligations.

I firmly believe that the relations of friendship and cooperation between our two countries, which have attained a new level of development, particularly since the official visit to Japan in November 1989 by His Excellency Kaysone Phomvihan, chairman of the LPDR Council of Ministers, will be further strengthened in the interests of the peoples of both our countries.

### Phoun Sipaseut Greets Japanese Foreign Minister

*BK0611134591 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 6 Nov 91*

[Congratulatory message from Phoun Sipaseut, deputy prime minister and foreign affairs minister, to Michio Watanabe, deputy prime minister and foreign minister of Japan, on 7 November]

[Text] On the occasion of your appointment as deputy prime minister and foreign minister of Japan, I would like to extend to your excellency my warm congratulations and best wishes. I wish you good health and brilliant success in carrying out your noble tasks.

I absolutely hope that the relations of friendship and cooperation between our two countries, which have attained a new level of development, will be further

strengthened and bear more fruit in the interests of the peoples of both our countries and to enhance peace and stability in this region.

### Trade Discussed With PRC's Yunnan Province

*BK0611142391 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 6 Nov 91*

[Text] In the first nine months of this year, the exchange of goods between Luang Namtha Province and (?Jinghong District) in the PRC's Yunnan Province amounted to more than 900 million kips. Of this, Laos exported goods to the Chinese province worth 455.8 million kips and imported merchandise from that province worth 447.8 million kips.

An official in charge of trade work in Luang Namtha Province said that most of the Lao goods exported to China were wood, agricultural, and forest products while the goods imported from that country were industrial goods, construction materials, and food items. All in all, he noted, after trade transactions were carried out with China, the living conditions of the local inhabitants in the province apparently improved for the better.

### Women Imprisoned for Prostitute Recruitment

*BK0711074191 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 7 Nov 91*

[Text] Yesterday morning, the people's court of Vientiane Municipality held a hearing to reach a verdict on the imprisonment of ill-intentioned persons who had deceived young Lao girls into becoming prostitutes at brothels in Thailand. On this occasion, the municipal people's court sentenced six such ill-intentioned persons to prison. They are: Ms. Khamphong, 31, from Saphangmeuk village, Saisettha District; Ms. Bouakhai, 40, from Phon Senuan, Sisattanak District; Ms. Deng, 45, from Beung Kha-gnong village, Sisattanak District; Ms. Vianphe, 41, from Phon Savang village, Saisettha District; Ms. Phai, 52, from Phon Savang village, Saisettha District; and Ms. Van, 25, from Khok Sai village, Hatsaifong District.

The six women have been found guilty of engaging in illegal activities. They had deliberately deceived more than 10 young Lao girls from various areas in Vientiane Municipality into crossing to Thailand and then illegally selling them to the Che Nit brothel in Phet Buri Province, where they were forced to prostitute themselves. The six women defendants were closely tailed by the police, who observed their activities. They were eventually arrested and have been detained since May of this year. Through the investigation and confessions of the defendants at the people's court witnessed by representatives of various organizations, the jury has seen that the activities of the six bad persons have violated Articles 69, 92, and 123 of the state criminal law. The people's court has, therefore, sentenced the six defendants from nine to 13 years in prison.

The verdict is just and fair. It has checked the acts of those who take advantage of the circumstances to create disturbance in Lao society and those who deliberately encroach upon the fine customs and culture of Laos to profit inappropriately from it.

In view of the undesirable activities of these elements, officials concerned, be they Lao or of neighboring countries, in particular Thailand, should jointly take stricter suppression measures to prevent opportunists from conducting such adverse acts, which will lead misunderstandings between the peoples of the two countries.

## Philippines

### Aquino Orders Steps To Ease Foreign Investment

*HK0511053091 Manila THE CHRONICLE in English 5 Nov 91 p 9*

[By Maricor Zapanta]

[Text] President Aquino ordered yesterday that ways be found to attract foreign investors after being informed by a top American businessman complained about rigid rules.

Richard Steigmier, chairmanof Union Oil of California (Unocal), reputedly the world's biggest geothermal energy producer, said his company would like to poor more into the country but woud like to see rules eased, especially on geothermal energy projects.

The President asked Presidential Adviser on Energy Affairs Wenceslao de la Paz, and National Power Corporation (NPC) President Pablo Malixi, who were both present at the meeting, to take steps to attract foreign investors into the country.

Unocal, through its subsidiary here, the Philippine Geothermal, Inc., has been the only foreign and private firm to invest in geothermal development in the Philippines since 1971.

But it has not expanded its operations here since 1978, when Presidential Decree No. 1842, which is deemed restrictive by private investors, was issued.

De la Paz and Malixi told newsmen Steigmier expressed during the meeting interest in investing more in the country.

They said the Unocal chief also warmed the government about stiff competition with other countries in terms of better incentives to foreign and local investors for geothermal development.

De la Paz said the governments of Nicaragua and Indonesia are encouraging Unocal to invest in geothermal development and power generation.

The also said Steigmier told the President about Unocal's plans to develop more geothermal fields in the

country with the Philippine National Oil Company (PNOC) and possibly to venture into geothermal power generation.

De la Paz said he and Malixi were told by President Aquino to discuss with PNOC Unocal's joint-venture proposal which PGI and PNOC have already been discussing.

Unocal is eyeing for development under either a joint-venture with PNOC or the government's build-operate-transfer (BOT) scheme the Mt. Labo in Camarines Norte, a new area in Tongonan, Leyte, and Mt. Apo in Davao del Norte.

According to de la Paz, one main concern aired by Steigmier was that most of the country's geothermal fields are now in the hands of PNOC.

Steigmier also complained about PD [Presidential Decree] 1842, which requires those engaging in geothermal exploration and development, except the state-owned PNOC, to pay royalties equivalent to 60% of their gross profits plus income and other taxes.

To counter the deficiencies of PD 1842, de la Paz said government energy officials will push for the passage into law of House Bill No. 34717, which aims to give tax breaks to geothermal developers and explorers.

De la Paz said Unocal also wants that the royalty to be paid the government for the exploitation of the country's natural resources be made only after it has already generated profits from its exploration and development activities.

Meanwhile, Malixi said Unocal is also showing interest in operating NPC's 330-megawatt Tiwi geothermal power plant in Albay.

At present, Unocal is developing the Tiwi geothermal field in Albay which provides the NPC the energy for its three-unit power plant there.

Malixi said neither Unocal nor PGI has submitted formal proposal and added that NPC is considering only a management contract rather than an outright sale of the Tiwi plant.

## Official Says Economy Showing Recovery Signs

*HK0711035291 Manila BUSINESS WORLD in English 7 Nov 91 pp 1, 5*

[Text] The country's top economic official yesterday said the Philippines is experiencing the beginnings of an economic upturn.

National Economic and Development Authority (NEDA) Director-General Cayetano Paderanga, Jr. cited three favorable indicators which, he believed, may correspond to the "initial phase of an economic recovery." A pick-up in imports, lower interest rates and declining inflation could enable the economy to post a positive growth this year, he said.

NEDA has lowered its growth forecast for 1991 to between 0.5-1% from an earlier 1.5-2% on account of a host of fiscal slippages as well as damage on the economy from the eruption of Mt. Pinatubo. To achieve this positive growth, Mr. Paderanga said, the economy should grow between 1-3% for the second half.

He is optimistic this target will be achieved.

### Imports

Discussing the first of the three positive factors, the NEDA head noted that the output of the manufacturing sector is expected to increase based on the improvement in importations.

Central Bank [CB] Governor Jose L. Cuisia, Jr., however, yesterday clarified that the "improvement" basically meant a "slower" drop in imports. But the overall scenario, he said, is still a slack in imports.

For instance, total imports for the period from August 8 to 15, as measured by letters of credit, documents against acceptances, and open accounts dropped by 22% to $118.3 million as against $242.1 million in the comparable period last year.

### Loan Demand

While imports are still low, loan demand has surprisingly picked up. CB data show that as of August 31, the loan portfolio of the entire commercial banking system reached P [Philippine pesos] 233.7 billion, up by P3.3 billion, or 1.4% higher than the previous month's level.

On an annual basis, the loan portfolio of the financial system expanded by 11.4%, or by P24 billion from last year's P209.7 billion.

### Interest Rates

Another positive indicator, Mr. Paderanga pointed out, is the decline in interest rates, specifically in the third quarter.

But as of last week's auction of Treasury bills, the composite yield grew 37.2 basis points to 22.65% from the previous week's 22.28%.

Perhaps, what has been making monetary and economic officials simle these days is the 17.3% inflation rate for the month of October, a two-percentage point cut from September's 19.3% level. The lower inflation rate last month was due mainly to lower prices of food, electricity and water in Metro Manila.

Another contributory factor for the drop has been the CB's vigorous open market policy which has brought down reserve money (broadly the amount of cash in circulation) to P110 billion as of October 15. The CB thus reined in inflationary cash of about P3.3 billion from the end-September level of P113.3 billion.

Mr. Paderanga believes the inflation rate is now on a skid and it's only a matter of monetary management to sustain the low levels.

However, what could perhaps trigger a rise in inflation, the NEDA chief pointed out, is the seasonal holiday spending in the fourth quarter.

On top of this, he said monetary authorities also have to contend with election spending next year.

### Mideast Trade, Investment Mission Signs Accords

*HK0511044891 Quezon City Radyo ng Bayan in Tagalog 0400 GMT 5 Nov 91*

[Text] The Philippines was able to take advantage of a trade agreement with Iran and Egypt. Trade and Industry Secretary Peter Garrucho said that the Mideast agreement will enable the country to earn of $500 million. Meanwhile, Saudi Arabia, Kuwait, and the United Arab Emirates agreed in principle to establish bilateral trade agreements with the Philippines. Garrucho led the Philippine trade and investment mission that went to the Middle East last week.

### Marcos Not To Provoke Government Over Burial

*HK0611034691 Quezon City MALAYA in English 6 Nov 91 pp 1, 2*

[By Marie Rose Feliciano and Chit Estella]

[Text] Executive Secretary Franklin Drilon yesterday totally ruled out a Manila burial for former President Marcos while President Aquino is in power.

But he said Mrs. Aquino's offer that the remains of Marcos be shipped directly to Ilocos Norte and be buried there stays.

In Laoag City, Imelda R. Marcos said she will not provoke the Aquino government on the issue of her husband's burial.

She said she would limit herself to legal courses of action in bringing home the body of her husband whose dying wish was to be buried at the Libingan ng mga Bayani [Heroes Cemetery].

Drilon also said the government has a standing directive to all airports in the country to monitor the possible return of the rest of the Marcos children or cronies of the former president.

He said if the Marcos family agrees to burial, then the former president will be given "appropriate honors."

Mrs. Marcos said: "*Ayaw pa yata ni Mrs. Aquino payagan ilibing sa itinuring na lugar si Pangulong Marcos. Habang hindi pa darating iyong panahon, hihintayin ko sapagkat ang sabi nila, kung idadala ko sa pilit, I might provoke her, at hindi ko gusto iyon sapagkat* I came here on a mission of peace and reconciliation and unity ["It seems Mrs. Aquino does not want to allow President Marcos to be buried at the said place. As long as the time does come, I will wait for it, because they said that, if I insist on bringing it by force, I might provoke her, and I do not want this to happen, because I came here on a mission of peace and reconciliation and unity].

She said she would not risk the possibility of her husband being subjected to indignities. "*Kung gusto nila kaming hiyain, si Mrs. Marcos na lang. Huwag na 'yong patay* ["If they want us to be put to shame, just let it be Mrs. Marcos instead of the dead]," she said.

Mrs. Marcos also said she is willing to make a formal request for an audience with Mrs. Aquino to work out the burial of the former president.

"I can make a formal request or maybe pay her a courtesy call. Maybe that would be the best thing to do now that she is there in Malacanang," she said.

"The sooner the issue is resolved, the better for all of us and the country," she said.

The proposal to bury Marcos in Laoag was made by the Northern Alliance, a grouping of Ilocano congressmen. Mrs. Aquino agreed on a traditional nine-day wake after which he will be buried with his mother, Josefa Edralin Marcos.

### Typhoon Causes Extensive Floods, Deaths in Leyte

### Civil Defense Office Reports

*HK0611051391 Quezon City Radyo ng Bayan in Tagalog 0400 GMT 6 Nov 91*

[Text] Casualties and devastation continue to increase as Typhoon Uring lashes through Leyte, and the latest report from Radyo ng Bayan Sogod estimates that 2,000 people have been killed.

[Begin recording] An estimated 2,000 were affected [words indistinct] killed by the overflowing waters of [word indistinct] in the following barangays: Isla Verde, Laungan; Allegria, Ormoc City; and [word indistinct] at Barangay Nasulugan. [end recording]

That was Dindo Alaras of Radyo ng Bayan Sogod, Southern Leyte.

Meanwhile, the Office of Civil Defense has reported that around 174 people have been confirmed dead as Uring continues to lash Leyte. Here is the latest report on the destruction caused by the typhoon from Dominador Sarenas of the Office of Civil Defense:

[Begin Sarenas recording] Eight municipalities and two cities were affected by this disaster, and it is estimated that 174 people were killed. An estimated 8,300 families were affected by this storm and an estimated 49,800 people have been displaced.

Members of the Provincial Disaster Coordinating Council and Regional Disaster Coordinating Council are still conducting surveys in the barangays affected by the

typhoon in order to asses the situation. Meanwhile, the National Food Authority and the Department of Social Welfare and Development continue to extend help needed by families and individuals in areas affected by the typhoon. [end recording]

In related news, Typhoon Uring is weakening as it leaves the country. All typhoon signals have been lowered by the Philippine Atmospheric, Geophysical and Astronomical Science Administration. At 1000 this morning, Uring was estimated to be 90 kilometers away. [sentence as heard]

## Homeless Situation Detailed

*HK0711054691 Quezon City Radyo ng Bayan in Tagalog 0400 GMT 7 Nov 91*

[Italicized passages in English]

[Text] The number of flood victims in Leyte and other areas in the Visayas during Typhoon Uring continues to increase. In the last Office of Civil Defense [OCD] report, an estimated 2,899 people were confirmed dead and more were reported to be injured or missing. In an interview with PBS [Philippine Broadcast Service] News, Dolores Manyo, OCD public information officer, said that Defense Secretary Renato de Villa suggested to President Aquino to place the Leyte Province and the cities of Ormoc and Tacloban under the state of calamity.

[Begin Manyo recording] *In terms of the population affected,* 35,281 families, or 218,586 people, were affected.

We also have a report saying that 7,081 of our countrymen *have been rendered homeless, comprising of 35,986 persons. Now, because of this, Secretary Ramos [as heard], which is...[changes thought] who is the veteran chairman of the National Disaster Coordinating Council, has recommended to the president the declaration of Leyte, Southern Leyte, and cities of Ormoc and Tacloban under state of calamity.*

We also have received funds enabling us to send around 800 gallons of formalin to the devastated areas in anticipation of mass burials. They definitely will be needing this formalin any time now, and this will be shipped to the areas. [end recording]

Meanwhile, Defense Secretary Renato De Villa and DSWD [Department of Social Welfare and Development] Undersecretary Cora De Leon left for Region 8 to estimate the damage caused by Typhoon Uring and to distribute relief goods.

In an interview with Ben Sangalang of PBS News, DSWD Director Tess Padua said that their regional office is encountering problems in the distribution of aid.

[Padua] According to the report forwarded to Director Novisa, they have a problem, *like the unavailability of gasoline,* that is hindering the delivery of relief goods. He also said that there are several bridges that are impassable. [end recording]

## Death Toll 'Feared' To Reach 6,000

*HK0711093491 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 7 Nov 91*

[Text] Approximately 6,000 people were feared to have died from heavy floods brought by Typhoon Uring in the province of Leyte. Based on recent reports from the National Disaster Coordinating Council, almost 2,700 were confirmed dead in Ormoc City, and 3,000 people were reported to be missing due to heavy floods and landslides which lasted more than four hours. Based on accounts of some surviving residents, the passing of Typhoon Uring in their area can be compared to a tornado which brought widespread flooding, landslides that buried many houses, and carried to sea many people's properties and lives. In relation to this, the province of Leyte looks very grim, as many corpses are lying scattered on the ground. The bodies are being collected one by one by several government agencies. The place smelled with the stench of the decaying bodies of the victims of the widespread flooding.

Meanwhile, the province of Leyte and other places affected by the typhoon was put under a state of calamity. Relief operations are being mobilized by government authorities. Here is Dick Singchongco, DZRH Unit 6, with the details.

[Begin Singchongco recording] President Aquino ordered the relief operation for the province of Leyte and other places in the Visayan region that were damaged by Typhoon Uring. Malacanang is set to declare the province of Leyte and other places damaged by the typhoon under a state of calamity. Aquino ordered Defense Secretary Renato de Villa and the Department of Social Welfare and Development to make an inspection and handle the relief operation. Malacanang also announced that they are still waiting for De Villa's complete report in relation to the declaration of a state of calamity. The government have already sent Air Force C130 Hercules transport planes that contain relief goods and Air Force helicopters to be used for the distribution of the relief goods. The Philippine Navy was instructed to bring in their vessels and equipments to be use in restoring electricity to the damaged areas. [end recording]

## Defense Official Says No 'Demoralization' in Army

*HK0711031491 Manila PHILIPPINE DAILY INQUIRER in English 7 Nov 91 p 1, 10*

[By Fe B. Zamora]

[Text] Defense Secretary Renato S. de Villa yesterday directed Gen. Lisandro Abadia, Armed Forces chief of staff, to inform field commanders about the terms in which rebel officer Eduardo Kapunan and 13 others were returned to military control.

De Villa issued the directive after meeting with Abadia and several field commanders at Camp Aguinaldo yesterday.

During the conference, De Villa said the field commanders denied disagreeing with the government's reconciliation efforts with rebel soldiers but requested that they be informed about what's going on.

"I have asked a report from all of them and they disagreed that there is demoralization in the ranks. However, they also proposed that, for clarity, the headquarters must inform them of the parameters and the conditions for the return of Kapunan and other rebels," De Villa told the INQUIRER.

"We are still in the midst of a delicate situation insofar as the talks are concerned," De Villa added.

There have been reports of demoralization in the ranks following the reinstatement of Kapunan and of the government's offer to reinstate fugitive Lt. Col. Gregorio Honasan in case he returned to the fold of law.

De Villa met with field commanders who are in Manila to attend the 52nd anniversary of the defense department.

Abadia, meanwhile, reiterated that he will impose sanctions on officer who do not agree with the government's policy to bring back military rebels.

"This policy (of reconciliation) is not my poicy. This is a government policy. This has been approved by the commander-in-chief. Any officer who questions that policy is subject to sanctions."

Meanwhile, an INQUIRER source said efforts to unify the Armed Forces were initiated by two Cabinet members who met with the Philippine Military Academy classmates—or "mistahs"—of Honasan last April.

A document furnished by the source said Executive Secretary Franklin Drilon, who was then the secretary of justice held a dialog with member of the "Matatag" [strong] Class of 1971 of the PMA last April 17. The meeting was held at Camp Aguinaldo.

The new day, the class also met with Secretary of Interior and Local Government Luis Santos in La Vista, Quezon City, the document said.

Abadia, who was named chief of staff three days earlier, was informed about the meeting in a two-page memorandum signed by Lt. Col. Cicero Castellano, class secretary and historian.

The class sought the dialog to discuss "the possibility of opening talks with personalities still underground" as well as the plight of those who are already detained. Legal concerns were also part of the agenda, they said in the memorandum.

A class member said Drilon was particularly receptive about proposed dialogs, and had broached the idea to Abadia.

This led to the temporary release of detained Lt. Col. Eduardo Batac, Lt. Col. Rafael Galvez and others whom Abadia ordered to contact those still underground, a class member told the INQURIER.

Two months later, Abadia chartered a plane to fetch fugitive Kapunan from Iloilo, in Manila, Kapunan contacted Honasan for the much-publicized telephone coversation with Abadia.

Class '71, led by its president Lt. Col. Edgardo Aglipay, are for Honasan's return to the fold of law. Kapunan was reinstated last Saturday after his voluntary return to AFP [Armed Forces of the Philippines] control.

## Abadia Says Military Rebels To Fight to Finish

*HK0711032791 Manila BUSINESS WORLD in English 7 Nov 91 p 12*

[Text] Armed Forces of the Philippine [AFP] chief of staff Gen. Lisandro C. Abadia warned that hardline coup plotters Domingo Calajate and Felix Turingan are bracing for "a fight to the end."

Although downplaying their capability to mount another coup attempt, Gen. Abadia said during a breakfast forum at the Manila Pavilion the other day the two fugitive officers would rather die fighting.

Bit, he said, the two lacked the necessary techniques in mounting a military uprising. "They are not combat officers," he said.

Mr. Calajate, a former Navy commodore, defected to the rebel side at the height of the December 1989 coup attempt when he was the chief of the Logistics Command (LOGCOM).

Mr. Turingan, on the other hand, who was a former Navy captain, had been in hiding since he joined rebel leader Gregorio Honasan in leading the failed August 1987 coup attempt. He was also involved in the 1989 coup attempt.

The two have been tagged as the "hold-outs" in the peace negotiations initiated by Gen. Abadia. It was reported last weekend that the military is preparing to hunt down Messrs. Calajate and Turingan and neutralize them before they could create trouble which would jeopardize the peace negotiations.

Mr. Calajate was reportedly trying to convince Mr. Honasan and other remaining leaders of the ultra-rightist groups not to yield and carry on with the plan to seize state power.

A core member of the Rebolusyonaryong Alyansang Makabansa (RAM) [Revolutionary Nationalist Alliance], Lt. Col. Eduardo Kapunan had already turned

himself in to military control, after acting as a government emissary in the peace negotiations.

### 'Discord' Reported Among Kalinga Communist Rebels

*HK0711113191 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 7 Nov 91*

[Italicized passages in English]

[Text] Successive defeats at the hands of the Philippine Army have sown discord among the New People's Army [NPA] personnel in Marag Valley, Kalinga Apayao, and have deprived it of mass-based supporters. Colonel Robert Manlongat, commander of the Philippine Army 503d Brigade based in the Marag Valley, reported that some NPA commanders no longer obey their leaders as a result of infighting between two commanders in the Apayao Provincial Party Committee of the CPP [Communist Party of the Philippines]-NPA.

[Begin Manlongat recording] *They are losing their mass base already because of the things that we showed them. If you will recall, there were lesser violations of human rights. And so... [changes thought] we hear it over the transmissions of the NPA. Something like one of the commanders saying:* How come you cannot issue orders to this one? He no longer follows orders, *says the other commander.*

*And also, we monitored the infighting between the NPA elements there, killing each other while one unit is losing the masses. And this faction of reds, Ka [Comrade] Reggie and Ka Icko, that is in the northwest district in the Apayao Provincial Party Committee.* [end recording]

That was Colonel Manlongat, commander of the 503d Infantry Brigade in Marag Valley.

### Communist Negotiator Freed After 2 Years

*HK0711030391 Manila MANILA BULLETIN in English 7 Nov 91 p 8*

[By Ben Rosario]

[Text] Former journalist and communist peace negotiator Carolina Malay Ocampo has been released from a two-year military detention after she posted a P [Philippine Pesos] 50,000 bail on a criminal case filed against her and husband, Satur Ocampo, also a former journalist.

The release of Mrs. Ocampo came after she and her husband were acquitted of kidnaping with serious illegal detention by Regional Trial Court [RTC] Judge Jaime Salazar of Quezon City [QC].

The Ocampos, both alleged top officials of the National Democratic Front, political arm of the Communist Party of the Philippines, still face a case of kidnaping with serious illegal dentention, but Mrs. Ocampo was eligible for a P50,000 bail. The case is handled by QC RTC Judge Tirso D.C. Velasco.

Another case of rebellion is pending before a Makati regional trial court, but the bail has already been settled by Mrs. Ocampo.

Both QC and Makati courts granted bail to Mrs. Ocampo for humanitarian reason.

She said she will work for the release of her husband from military detention. She said she will maintain a "low profile," try to make up for lost time with her children, and resume her journalistic profession.

Salazar had found the Ocampos not guilty of kidnaping charges when the military failed to present strong evidence against them. The complainant for kidnaping, reportedly a deep-penetration agent of the military, was not interested in pursuing the case.

### Manila Communist Partisan Group Leader Arrested

*HK0711113491 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 7 Nov 91*

[Text] The cases of the kidnapping and murder of several wealthy businessmen; the robbery of an armoured van in Taguig in 1989; the abduction of Boy Sy of the Care Absorbent Cotton Company in February this year; and the kidnapping of Lourdes, Josie, and Kelvin in October of 1991 in Malabon, Metro Manila, have been solved. According to Chief Superintendent Vicente Vinarau of the PNP-CISC [Philippine National Police-Criminal Investigation Service Command], the suspect in these crimes is Alfredo de Leon, alias Joey de Leon, who admitted that he was the head of the CPP-NPA's [Communist Party of the Philippines-New People's Army] special partisan operations group, which operates in Metro Manila and nearby provinces. He was arrested while he was driving a red Nissan Sentra, license plate CJN 987, along the Meycauayan exit of the North Diversion Road.

[Begin Vinarau recording in English] We uncover that there is in the least 14 dealers... [changes thought] Chinese dealers to be the subject of another kidnapping by the groups. So, luckily, we nabbed the head and we are now ongoing operations to arrest the other members of the group. [end recording]

Also according to Vinarau's report, De Leon's group received P [Philippine pesos] 10 million from the Sy family, while the Gan family paid P2 million in ransom.

De Leon also admitted that he was one of those who abducted and killed Christopher P. Lopez, the son of a wealthy businessman in Bacolod City, but he identified Roger de la Torre as the mastermind.

### Government Troops Kill Top NPA Leader, Aide

*HK0511044591 Manila MANILA BULLETIN in English 5 Nov 91 p 8*

[By Jen L. Jorvina]

[Text] Pili, Camarines Sur—A top New People's Army (NPA) rebel and his aide, who were believed responsible for the killing of former Bula town Mayor Cirilo Cariaga in an ambush last month, were killed in an encounter with government troopers in sitio Onse, barangay Boraboran, Buhi, this province, the 201st Infantry Brigade headquarters reported yesterday.

The military said that a woman NPA rebel was later apprehended while she was undergoing operations in the Bicol Regional Training Hospital in Naga City.

In a report to Brig. Gen. Cesar F. Fortuno, 2nd Infantry Division (ID) commanding general, Col. Vic A. Mayo, 201st brigade commander, identified the slain rebel as Solomom Bubos, alias "Ka [Comrade] Matis," who was a member of the executive committee of the NPA Bicol Regional Party Committee. The aide of Bubos was not immediately identified.

Mayo said that Bubos' wife, identified as Virginia Gaite, was apprehended by Army troopers in the hospital. She was operated on wounds suffered during the encounter in Buhi town.

He said that a 15-man Army band led by 2nd Lieutenant Abad of the 2nd Infantry Battalion under Maj. Panfilo Gonzales, battalion commander, sneaked through NPA posts and caught the rebels in the camp by surprise. Bubos and his aide were killed on the spot.

Mayo said that Bubos was involved in several cases, including kidnaping, holdups, and harassing of a small military detachment in Polangui, Albay and barangay Copra, Pasacao town.

### Militiamen, NPA Rebels Killed in Ambush

*HK0511054491 Manila PHILIPPINE DAILY INQUIRER in English 5 Nov 91 p 9*

[Text] Communist rebels ambushed a government patrol in Davao del Norte last Sunday killing five militiamen but suffered three casualties, a belated military report said.

A report sent to Camp Crame yesterday identified the slain militiamen as Magdalino Senarillos, Rolando Senarillos, Leonardo Alfor, and a certain Pelot. The fifth fatality was not identified in the report.

The ambush took place in sitio Mabuhay, Barangay Dacudao, Kapalong, Davao del Norte at around 10 a.m. last Oct. 27.

The report said the militiamen, led by SPO4 [Special Police Officer] Pablito Verano of the Kapalong police station, were on combat patrol when about 60 New People's Army guerillas attacked them.

## Thailand

### Anan Says Election To Be Held Mar or Apr 92

*BK0711071491 Bangkok Radio Thailand Network in Thai 0530 GMT 7 Nov 91*

[Excerpt] Prime Minister Anan Panrayachun told reporters at Government House yesterday evening that the general election is expected to be held either in late March or early April next year.

Asked if he would accept the prime minister's post once more, the prime minister said that, regarding this issue, he does not know what the new Constitution will be like.

He said that, if the new constitution states that the prime minister must be an elected member of House of Representives, then he and other people who do not run in the general election will not be eligible for the post.

Anan added that, if the constitution leaves it open for an outsider to become prime minister, however, not only he himself, but also everyone who does not contest the general election but possesses good qualifications, will have the right to become prime minister.

He nonetheless reaffirmed that he was not at all interested in politics. [passage omitted]

### Official Reacts to U.S. Environmental Criticism

*BK0711023191 Bangkok THE NATION in English 7 Nov 91 p B2*

[Text] Plotprasop Suratsawadi, director general of the Fisheries Department, said there was nothing wrong with Thai vessels using driftnets with a length of 7-15 metres.

He said such lengths were in accordance with the United Nations' resolution banning 30-mile-long driftnets and driftnet fishing in the high seas.

Thai vessels only fish in an exclusive economic zone.

"I don't know what Earth Island Institute (the U.S. environmental group) is talking about or if it's trying to set its own guidelines. The Fisheries Department has never issued certificates to vessels with driftnet lengths exceeding 2.5 kms," Plotprasop said.

On the EII allegation that Thai vessels are destroying natural resources in Indonesian and Vietnamese waters, Plotprasop said all fishing activities in these countries are in the form of joint ventures.

He said Indonesia was keeping a close watch on such activities and EII need not worry.

When the country concerned did not find that Thai vessels had violated its regulations, how can EII, as an outsider, make such an allegation, the official noted.

At the same time, he said Thailand and Vietnam have yet to sign a fishing cooperation accord.

"In cases where EII recommends use of trawlers instead of driftnets, scientifically the trawler method is more efficient but also more damaging to the environment. We are trying to reduce use of the trawling method. EII, perhaps not understanding the situation, may itself cause damage to the country," Plotprasop said.

"We are willing to give an explanation to EII if it shows sincerity but not if it is only trying to build its influence," he said.

## Deputy Defense Minister Comments on Burmese Ties

*BK0711015391 Bangkok THE NATION in English 7 Nov 91 p A2*

[Text] Thailand should not interfere with Burma's internal affairs, and must maintain friendly relations with Rangoon, which has been shunned by Western countries for its abysmal human rights record, military leaders said yesterday.

Deputy Defence Minister Wimon Wongwanit also downplayed an army radio commentary programme that suggested that the Thai government was scaling down relations with Rangoon under pressure from Western countries.

"One must make a distinction between personal views (and those of the military)," Gen Wimon said. "After all, it is normal for people to have different views in a democratic society."

He said the military had been in close consultation with the Foreign Ministry on foreign affairs at all times.

Foreign Minister Asa Sarasin on Tuesday reacted angrily to the SAYAMMANUSSATI commentary programme, which urged the Thai government to distance itself from the military regime in Rangoon.

Asa insisted that Thailand would maintain close ties with Rangoon and continue to do business with Burma because they shared common interests and a long border.

The commentary, prepared by an army staffer and usually reflecting the thinking of army leaders, went on to accuse Burmese authorities of failure to fulfil their commitments in logging concessions granted to Thai businessmen, causing them to suffer huge losses. The radio commentary also noted that the Thai businessmen may have been "outwitted" in entering into the unprofitable agreements with Rangoon.

Former military chief, Gen Chawalit Yongchaiyut, played an instrumental role in helping Thai businessmen secure logging and fishing concessions a few years ago.

Supreme Commander and army chief Suchinda Khraprayun, asked to comment on the radio programme, said the views expressed in the programmes did not necessarily reflect the policy of the army.

"The commentaries aired on the army radio are like newspaper articles which do not always represent the views of publishers," Gen Suchinda said.

The military leader denied that the Thai military had special relations with the Burmese junta and added that the army was observing all of the government policies, including those concerning international relations.

"We are not aware of any change in the relations between Thailand and Burma," Suchinda said. "The Foreign Ministry would have told us if there was any change."

Agriculture Minister Anat Aphaphirom announced yesterday he was planning a trip to Rangoon to negotiate a new logging concession for the Forestry Industry Organization, a state enterprise under the Agriculture Ministry.

## Suchinda Reiterates Policy on Burmese Relations

*BK0611140791 Bangkok Army Television Channel 5 in Thai 1230 GMT 6 Nov 91*

[Interview with Supreme Commander and Army Commander General Suchinda Khraprayun by unidentified reporter on 6 November in Bangkok—recorded]

[Text] [Reporter] What is the security establishment's policy on logging in Burma?

[Suchinda] I don't know what the army radio has said about reducing this role, because the military plays no special role with regard to the Burmese Government. Many people have an incorrect understanding of this issue, as the military follows the government's policy in every aspect of foreign affairs. Thailand still maintains diplomatic relations with the Burmese Government, and the two countries still have ambassadors in each other's capital. The Burmese ambassador is the dean of the diplomatic corps in Thailand, and it is a very prestigious post. He leads the diplomatic corps in all formal functions. The Burmese military attache is also becoming the dean of the corps of foreign military attaches, because the Singapore attache, the senior-most officer, will be departing this year. Such are the relations between Thailand and Burma, which have existed to this day. They are normal relations between two countries. With such relations, how can you prohibit relations between the military establishments of the two countries? Besides, the military has never engaged in anything concerning economic relations between Thailand and Burma.

## Suchinda on Surrender of Communists in South

*BK0611153791 Bangkok Army Television Channel 5 in Thai 1230 GMT 6 Nov 91*

[Interview with Supreme Commander and Army Commander General Suchinda Khraprayun by unidentified reporter on 6 November in Bangkok—recorded]

[Text] [Suchinda] There is a strong possibility that members of the southern branch of the Communist Party of Thailand [CPT] will surrender soon, as they have been holding contacts with officials, particularly Fourth Army Region officials, to arranage their surrender in the same way that party members in other regions have. The negotiations have not reached a conclusion, however, and several points remain outstanding. In light of the current international situation involving the socialist camp and the free world, that is, the end of the cold war, and the fact that many socialist countries have changed their policies out of the realization that socialist ideals do not bring happiness and economic well-being to their people, there is an ever stronger possibility that the CPT members in the south will surrender. Negotiations toward this end continue. Their surrender will greatly benefit the national economy, particularly in the southern region. You may recall that many demands and intimidation campaigns have been made in the south, causing investment and business potentials to remain unfulfilled. Some of these undesirable activities were carried out by the CPT, while other activities were the work of people who claimed to be CPT members. Therefore, the surrender of all CPT members will give investors and the business establishment more confidence, because there will be greater safety. This will benefit the south and the country as a whole.

[Reporter] Will the Communist Act be abolished if all CPT members in the south end their struggle?

[Suchinda] The Internal Security Operations Command [ISOC] proposed on several occasions to abolish the Communist Act, and several agencies did consider the issue. Because the CPT activities have not ceased completely, however, we must keep the Communist Act. Furthermore, the military cannot attempt to abolish the act by itself, as the government and the parliament must issue a decree to accomplish this. Once the CPT members in every region surrender themselves and all communist activities end, the military sees no need for the Communist Act.

The fact is that, of all the CPT members to have surrendered to date, there is no threat to their safety. Article 17 of the Communist Act empowers the ISOC director to guarantee the safety of the people who surrender. I am ready to exercise this power to ensure the safety of surrendered CPT members in the south. You will see that in the eyes of the military, the Communist Act has no impact on the surrender of CPT members because the ISOC director has the legitimate power to guarantee safety and freedom for the surrendered members.

## Cambodian Aid Package To Include Medical Aid

*BK0711024791 Bangkok THE NATION in English 7 Nov 91 p A2*

[Text] Thailand plans to send a mobile medical unit to Phnom Penh as part of the government's package of humanitarian and technical aid to the war-ravaged country, the Foreign Ministry said yesterday.

Spokesman Sakthip Krairoek said the medical team would be Thailand's first institutionalized humanitarian aid to post-war Cambodia. In September Deputy Foreign Minister Wichian Watthanakhun led a one-day humanitarian mission to Phnom Penh to hand over food aid worth Bt10 million.

Sakthip said the government's aid package would be presented as a goodwill gesture from Thailand to Prince Norodom Sihanouk, president of Cambodia's Supreme National Council (SNC), by Foreign Minister Asa Sarasin when he visits Phnom Penh on Nov 20-22.

Under the plan, the Thai Red Cross Society, in coordination with the Ministry of Public Health, will mobilize a team of doctors and nurses, equipped with medical equipment and medicines including vaccines, to treat residents and patients in the capital. The mobile unit will be the equivalent of a 30-bed hospital and capable of making operations on-the-spot.

In the second step, the Red Cross will coordinate with Internatioanl Red Cross to help displaced Cambodians. They will set up a medical unit in reception camps supervised by the United Nations High Commission for Refugees, to help Cambodian refugees in Thailand pending their return to Cambodia.

Both agencies plan personnel training programmes for people in various medical fields to help in Cambodia, Sakthip said.

Foreign Affairs Minister Asa Sarasin called a meeting yesterday of inter-government agencies to integrate the agencies' aid programmes for Cambodia. They included the ministries of agriculture, communications and public health and their sub-departments, namely the Railways Authority of Thailand, the Department of Commercial Aviation and the Department of Technical and Economic Cooperation (DTEC).

DTEC's technical assistance provides for more than 50 scholarships for civil and student training programmes in medicine and agriculture and as part of the government's technical aid package for less fortunate countries, including Laos, Cambodia and Burma, worth about Bt200 million in fiscal 1991-1992.

The State Railways of Thailand and the Highway Department has survey reports to be used in restoring the routes from Aranyaprathet via Poipet to Sisophon which were severly damaged during the war. They expect overseas aid for these projects.

The Department of Commercial Aviation plans to help in the restoration of airports and their communication facilities at Siem Reap and Phnom Penh.

The Tourism Authority of Thailand also plans to coordinate with Cambodian authorities in organizing one-day package tours for tourists from Bangkok to Phnom

Penh and Siem Reap, pending the improvement of infrastructure in Cambodia.

"We would like all assistance to Cambodia to be channelled in more systematic and manageable ways," Sakthip said.

## Thai Airways, Cambodian Carrier To Exchange Flights

*BK0711095691 Bangkok THAI RAT in Thai 7 Nov 91 p 7*

[Text] Phisit Kusalasaiyanon, vice president for corporate planning and international relations of Thai Airways International Limited [THAI], has said that THAI and the Cambodian Airline Company, Cambodia's national flag carrier, have agreed to exchange flights between their two countries as part of the effrot to expand air routes within Indochina.

THAI is now conducting a feasibility study on public utilities, ground service equipment, communications systems, and other facilities. The two sides also must consider the suitability of aircraft for use on this route. The date for the company's inaugural flight to Cambodia thus has not yet been fixed.

## King Addresses New Armed Forces Generals

*BK0611094391 Bangkok Army Television Channel 5 in Thai 1230 GMT 5 Nov 91*

[Address by King Phumiphon Adunyadet at ceremony conferring rank on newly promoted generals on 5 November at Chitlada Palace—recorded]

[Text] [in progress] ...confer rank to general officers today, I congratulate everyone of you on this honor and advancement. Military ranks signify prestige and an accomplishment of good performance deserving of a promotion. In this regard, a high rank signifies high honor. At the same time, it must be understood that there are more duties and greater responsibilities. One must pay attention to ensure that the quality of his performance is maintained.

The major duty of the three armed forces is to defend and preserve national security and peace and order. There is a current saying that says the changes in the world situation have brought greater peace and that armed forces should reduce in size in the interest of developing the world's population. This is just a concept—but there is another concept that follows the old saying: If you want peace you must prepare for war. This saying seems to contradict itself. It is true that military preparations have existed for some time, but there has been little peace. We must therefore consider what is war and what is peace. [words indistinct]

War is not just combat. To use other language, the armed forces carry weapons for destruction, but [words indistinct] there should be other types of weapons as well, and this technology is what enables us to maintain peace. The Thai Armed Forces have followed this direction, and it has enabled Thailand to enjoy peace and progress, as compared to other countries. Compared with other countries, we have enjoyed considerable peace, because the Thai Armed Forces have performed their fighting tasks, using lethal weapons courageously and resolutely, and at the same time have used their wisdom and technical knowledge to bring progress to the people as well as peace, order, and the people's contentment.

Therefore, another important duty and task of the Armed Forces is to achieve domestic peace and secure the people's contentment and well-being. Therefore, by assuming the holding of high honor and assuming greater responsibilities, every one of you will continue to have to maintain your responsibilities in order to preserve peace and national independence. I wish to ask that you must maintain the already good work that you have done and improve on it, avoiding any flaws.

I ask that you exercise determination and honesty in carrying out your duties and that you be endowed with sound knowledge and strong health. I congratulate you on your past success and hope that you will have the determination to perform your work for your own future advancement as well as the progress of the people at large. I wish you success, progress, and prosperity.

## Exiled Muanchon Party Leader Vows To Return

*BK0611021591 Bangkok THE NATION in English 6 Nov 91 p A4*

[Text] Exiled politician Chaloem Yubamrung has indicated that the United Nations High Commissioner for Refugees (UNHCR) was reluctant to revoke his refugee status because the agency wanted a guarantee that he would be treated fairly when he returns to Thailand.

Muanchon Party leader Chaloem, in a telephone interview with THE NATION, however, said he had "made up my mind" and would defintely return to Thailand from Denmark "no matter what will happen."

Chaloem, an outspoken critic of the military, fled Thailand after the armed forces toppled the Chatchai government on Feb 23. Local police later filed criminal charges against him in connection with the 1982 alleged plot to assassinate three leading public figures.

"I've made my final decision. I'll go back home to fight," said Chaloem. "Whether I'll end up dead or alive—that's another matter."

Chaloem said during the Sunday night interview that the UNHCR might not allow him to return to Thailand if he was to be arrested. He said a final UNHCR decision was expected within two weeks.

Earlier, Chaloem had said he was waiting for some "confidential" documents from Thailand to support his application for cancellation of his refugee status.

"The Thai authorities should grant me bail so I could fight the charges," said Chaloem on Sunday.

Chaloem, former MP's Office minister, is also charged by the military-appointed Assets Examination Committee with having acquired some of his wealth illegally.

Chaloem said he and his family members had faced great difficulties as their assets are frozen. "I'm being persecuted," he said.

He said even the assets of his younger brother were frozen, despite the fact that he had not been involved in politics.

"Now, my two children have to sell earings along the sidewalk," said Chaloem, "I'd like to know whether those in power are so happy at others' sufferings."

He was accused by police of having bribed some witnesses, including two former communists, in the 1982 attempted assassination case to reverse their testimony and say an important figure was not the target of a plot.

Chaloem said it was not true that he bribed any "witnesses" to reverse their testimony. "Only three 'suspects' came to see me," he added.

Chaloem explained that the three were "suspects", not "witnesses". As suspects, they might tell whatever they knew to police, he added.

The three were identified as Vithit Chandawong, Kan Khunmi and Kamthonphon Wiriyapharb.

He claimed that in Buri Ram province the three had given some information about the alleged assassination attempt openly before a group of people including himself, Pol Maj Aisun Singhanat, Buri Ram's Huay Rach subdistrict police inspector chief Thongpak Piengket, Panawat Liengphongpan, Surachet Kraikoson.

Chaloem said after listening to the three's stories, it was Thongpak who gave the three Bt500-600 each as taxi fares to return home. The matter had nothing to do with him. Thongpak's son, Adison, was an ex-MP of the Muanchon Party.

Chaloem also questioned police motives in issuing arrest warrants for him and former Young Turk officer, Maj Gen Manun Rupkachon, at the same time. He accused police of trying to link them together in the controversial case.

Manun is wanted by police for allegedly masterminding the assassination plot. He is still at large.

The military accused the Chatchai government of trying to distort the assassination case. Manun was a close aide of ousted premier Chatchai Chunhawan.

Chaloem said he would not run in the next general election, but said he did not know whether he would re-enter politics at a later date.

## Vietnam

### U.S Team Says No American MIA's Still Alive

*BK0611151991 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 6 Nov 91*

[Text] On 2-6 November in Hanoi, a joint SRV-U.S. team on anthropology conducted a process of identifying 46 sets of remains suspected to be Americans.

New remains were discovered recently through joint and unilateral research. The results found will be taken back to the United States for further identification.

At the same time, an SRV-U.S. specialist team conducted an investigation in some places in Hanoi, Ha Tay, and Ha Tinh to determine whether information presented by the United States on some missing Americans being alive was justified. The results of the investigation showed that there was no sign of any living American and that the information provided by the United States was groundless.

The U.S. side highly valued the cooperative spirit of the Vietnamese Government officials at all levels and of the Vietnamese people on this humanitarian issue.

### Vo Chi Cong Sends Gorbachev Anniversary Message

*BK0711034991 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 6 Nov 91*

[SRV Council of State Chairman Vo Chi Cong's 6 November message to Soviet President Mikhail S. Gorbachev on anniversary of the Great October Socialist Revolution]

[Text] On the 74th commemoration of the Great October Socialist Revolution [GOSR], I convey to President Gorbachev and the fraternal Soviet people my sincerest greetings.

The GOSR's victory 74 years ago ushered in a new era for mankind—an era in which the laboring people determined their own destiny to build a bountiful and happy life while struggling for peace, national independence, democracy, and social progress.

During the past seven decades and more, the Soviet people have undergone a long struggle fraught with difficulty and ordeals, yet very glorious, and have scored great achievements and remarkable military exploits. These achievements have helped the Soviet people firmly defend and build their fatherland and mankind against the scourge of Fascism, thereby contributing greatly to restoring peace, security, and cooperation among nations. As a result, we will forever be grateful to the GOSR and the great Lenin who set the liberation path for peoples in various nations including the Vietnamese.

Under the beacon of the GOSR and in creatively applying the Marxist-Leninist doctrine to the unique conditions in Vietnam, the Vietnamese people—under

the leadership of the Communist Party of Vietnam [CPV] founded and forged by President Ho Chi Minh—have scored great achievements in the struggle for national independence and building and defending their socialist fatherland. These achievements are inseparable from the great, valuable, and effective support and assistance of the fraternal Soviet people for which the Vietnamese people are very grateful.

In implementing the resolutions of the Sixth and Seventh CPV Congresses, the Vietnamese people are carrying out the renovation and the open-door policy while positively strengthening the traditional friendship and cooperation for mutual interests with the Soviet state and people.

We sincerely hope that the Soviet people will soon overcome all difficulties and ordeals, stabilize the situation, and lead the country to advance further, thereby contributing to restoring peace, security, and cooperation among nations.

I wish the fraternal friendship and cooperation between the Vietnamese and Soviet peoples will be consistently consolidated and developed.

## NHAN DAN Hails Soviet Anniversary

*BK0711113991 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 6 Nov 91*

[Editorial from 7 November NHAN DAN: "The Concepts of the October Revolution and Socialism Live Forever"]

[Text] The dimension and significance of the Great October Socialist Revolution [GOSR] have consistently retained their topicality in the current events of mankind during the past seven decades. Forces hostile to socialism want to perpetuate the old world order and have from one period to another resorted to all means to interpret the GOSR and other developments in the Soviet Union through a completely distorted periscope. Their most common allegation is that the GOSR was an accidental occurrence, a mistake, and even a monster of history. Some bourgeois analysts, apparently wishing to appear more intelligent, claimed that the GOSR was a phenomenon outside the law of nature.

After the August upheavals in the Soviet Union and the collapse of socialist models in East European countries, anti-socialist forces have taken the opportunity to fan a campaign to smear socialism and negate the significance and achievements of the GOSR. Moreover, many persons who used to highly appraise the GOSR and achievements in the land of Lenin, have now changed their tune and chime in with the anti-socialist voices.

However, not only the communists faithful to Marxist-Leninist doctrine clearly understand the dialectics of history, but the broad masses of the progressive people in the world, now as before, in the glorious day of victory as well as in the dark hours of failure, have always correctly appraised the dimension and significance of the GOSR, the achievements of the revolution, and great contributions of the Soviet land and peoples to mankind.

Through many centuries, socialism, founded by Marx and Lenin, in its capacity as a social movement, has reflected the profound and noble desire of man for peace, democracy, freedom, and happiness, and has been codified into a science. The logical conclusion reached is that human society cannot advance to real civilisation without carrying out the socialist revolution to abolish the old world order.

The great significance of the GOSR lies in the fact that it opened up the path to build a new world, eliminated attempts to gain control over the world by the capitalist class, and turned scientific socialism into reality.

With the victory of the GOSR, the first state of the laboring people in the world came into being. Victory of the GOSR has ushered in an era in which the laboring people are masters of their own destiny to build a bountiful and happy life and to struggle for peace, national independence, and socialism.

Generations of this century and the next will forever remember efforts and contributions of communists and the Soviet people, who underwent great ordeals and made sacrifices to help free mankind from the scourge of fascism, thus accelerating the collapse of colonialism and significantly contributing to establishing and restoring peace, security, and cooperation among nations.

All the rights to freedom, democracy, national independence, peace, and social progress which the laboring people on our planet have achieved to one extent or another are inseperable from the existence of the Soviet Union and other socialist countries. This is the historical truth which no one can deny. Neither can the collapse of one model or another of socialism in one country or another be described as the collapse of scientific socialism. The new, which is inevitable and in conformity with the law—though facing obstacles and ordeals—will eventually affirm its existence and virtue.

The Vietnamese people, who have undergone numerous ordeals, struggles, and obstacles in patriotic movements at the beginning of this century—together with Ho Chi Minh, the great son of Vietnam—have found the just cause that national liberation can be achieved only through the socialist path and Marxist-Leninist revolutionary theory. It is the choice of history.

Advancing along the socialist path, we have attained significant achievements. Our nation has been liberated, we have gained national independence, freedom, and unification, and are entering the transition period toward socialism. The Seventh CPV Congress and the second round of party organization congresses at various levels have asserted the united determination of our party and people to persistently follow the line of national independence and socialism and to advance along the scientifically chosen path.

Standing firmly on their land, creatively applying Marxism-Leninism and Ho Chi Minh's thought, and persistently implementing the renovation undertaking, our party and people will certainly overcome all acute ordeals, thereby creating great favorable conditions for building Vietnam into a strong and prosperous nation.

We will forever be grateful to the GOSR and the great Lenin who opened up a path for liberating nations including Vietnam. The Vietnamese people always attach importance to strengthening friendship with the Soviet people. Our great victories in the struggle for national independence, along with building and defending the socialist fatherland, cannot be separated from the valuable support and assistance of the fraternal Soviet people extended to us during the past years.

We will continue to strengthen the traditional friendship and cooperation for mutual interests with the Soviet State while expanding relations with other republics.

Commemorating the 74th anniversary of the GOSR, we wish the Soviet people success in overcoming the current stage full of ordeals and in extricating the country from the present crisis to advance further, thereby appropriately contributing to restoring peace and security in the world. We express our solidarity with all forces loyal to the GOSR and socialism, and are convinced that the current difficult situation will be overcome. The vitality of the GOSR's concept and socialism are invincible.

## Recent Diplomatic, Economic Activities Reviewed

*BK0611131691 Hanoi Voice of Vietnam in English 1000 GMT 5 Nov 91*

[Text] Since the signing of the peace agreement on Cambodia more than 10 days ago, many diplomatic activities have been carried out in Vietnam which have been paid much attention to by public opinion in Southeast Asia and the world at large.

Only a day after the signing of the agreement in Paris, the head of the Vietnamese Government left for a tour to Indonesia, Thailand, and Singapore. That was the first high-level delegation of Vietnam in the region after more than 10 years since (?the existence of) the Cambodia issue. Chairman Vo Van Kiet was given warm welcome by leaders of those three countries.

Bilateral ties between Vietnam and Indonesia have been further strengthened after the visit. Both countries pledged to share initiatives in national construction and defense.

Right after the visit, two companies P.T. Prima Comexindo of Indonesia disclosed that they will sign an agreement on trade exchange worth 20 million dollars with Vietnam.

Meanwhile, the economic and commercial treaties signed between the two countries during President Suharto's visit to Vietnam last year have been carried out effectively.

The visit of Mr. Vo Van Kiet was also of great significance to Thailand. It is being considered as a milestone paving the new stage in the relations between the two countries, the stage of forgetting the past and looking toward a new future which is effected by bilateral cooperation.

Right after the visit, a spokesman for the Thai Government made known that Thai Prime Minister Anan Panyarachun will pay an official visit to Vietnam in early 1992.

For his part, Supreme Commander of the Thai Army General Suchinda said that Thailand is now prepared to establish good relations with Vietnam.

This a result of great significance because in the past more than 10 years, the relations between the two countries have undergone numerous ups and downs.

Meanwhile, Singapore leader told the Vietnamese head of government that the time loss in the relations between Vietnam and Singapore can be made up for.

Now there exist normal relations between Vietnam and Singapore. Singaporean Prime Minister Goh Chok Tong and Chairman Vo Van Kiet agreed to set up embassies in each country's capital. And this will be carried out at the earliest time.

With the result of the visit, a new stage in the relations between Vietnam and ASEAN countries that of cooperation for development of each country and for peace and stability in Southeast Asia have begun.

For its part, Japan has stepped up activities in establishing ties with Vietnam. Two days after the signing of the peace agreement of Cambodia, on 25 October, Japanese Prime Minister Taro Nakayama [as heard] declared that Japan will soon enter a new stage of relations with Vietnam.

Japanese business people act even quicker than their government. On October 21, a group of Japanese businessmen and industrialists representing big companies in Japan arrived in Vietnam to study feasibility for investing in Vietnam.

This month will witness more activities. French Foreign Minister Roland Dumas said he will pay an official visit to Vietnam soon to further promote cooperative ties between France and Vietnam.

In Canberra, the capital of Australia, Minister of Commerce and Overseas Development Neal Blewett made known that he will come to Vietnam in November.

On Tuesday 5 November, party leader Do Muoi and Chairman of the Council of Ministers Vo Van Kiet led a high level delegation to visit China.

These activities will certainly contribute to further promoting the relations between Vietnam and other countries. They justify that Vietnam is actively implementing its declaration to make friends with all countries.

### Phan Van Khai Receives DPRK Delegation

*BK0611134891 Hanoi Voice of Vietnam in English 1000 GMT 4 Nov 91*

[Text] Vice Chairman of the Council of Ministers Phan Van Khai maintained that the Vietnamese people highly appreciate the President Kim Il-song's decision to provide Vietnam with a cash grant for the building of a hydroelectric plant on the central coast.

Mr. Phan Van Khai was speaking at the meeting with Mr. (Kye Nol-son), head of the DRPK-Vietnam Sub-Commission for Economic, Scientific and Technical Cooperation who is in Vietnam for the photo session of the Vietnam-DPRK commission.

Mr. Phan Van Khai also stressed the conviction that the good result of the session will contribute much to the bilateral cooperation.

For his part, Mr. Kye Nol-son pledged together with the Vietnamese side to effectively implement all the signed agreements.

### Government Tightens Foreign Exchange Controls

*BK0611125391 Hong Kong AFP in English 1212 GMT 6 Nov 91*

[Text] Hanoi, Nov 6 (AFP)—Hanoi, strapped for hard currency to finance imports, has ordered all public and private Vietnamese firms to deposit their foreign exchange earnings directly in state-owned banks.

The directive from the Council of Ministers, dated October 25 and published Wednesday in the official NHAN DAN daily, comes amid a campaign by Vietnamese authorities to channel hard-currency transactions off the black market.

"All foreign exchange earned through exports or (domestic transactions) by organizations and units—including those of the Finance Ministry—must be deposited in their accounts at banks authorized to handle foreign exchange transactions," the directive said.

Once deposited, the currency becomes subject to a range of restrictions. To withdraw dollars to pay for imports, for example, a firm must obtain specific authorization from the Trade and Tourism Ministry.

The directive is aimed to conserve hard currency for imports that are considered of primary importance and for settling government debts in the last quarter, NHAN DAN said.

In addition to authorized imports, dollars can be withdrawn to pay for services provided by foreign partners, to contribute capital to licensed joint ventures and for other foreign payments that conform to regulations, the directive said.

"The foreign exchange can also be sold to authorized banks or foreign exchange centers," the directive added.

The State Bank inaugurated the country's second foreign exchange center Saturday in Hanoi following the creation August 30 of a similar exchange in the southern city of Ho Chi Minh.

The Hanoi exchange held its second session Wednesday, with about 500,000 dollars changing hands at the rate of 12,580 dong to one dollar, below the black market rate of 13,300 dong.

The rate was decided by the bidding of the 19 participants, who included export-import enterprises, firms that make hard-currency sales within Vietnam and public banks, said Le Dinh Trung, director of the State Bank's Hanoi branch.

The Hanoi exchange will initially operate once a week while the Ho Chi Minh City exchange holds twice-weekly sessions. Vietnamese authorities have credited the exchanges with helping stabilize the volatile dong.

The creation of the exchanges, which charge commissions of one percent, have coincided with government warnings—directed primarily at large state enterprises—against buying and selling foreign exchange on the country's thriving black market.

A Western banker said Wednesday's directive appeared to be "a step backward" for Vietnamese firms, who will now face another government hurdle in importing goods.

He noted however that since Vietnam eased import restrictions two years ago, many firms have used hard currency to import luxury items such as foreign cigarettes that competed with domestic brands.

Vietnam, hard hit by a halt in aid and concessionary trade from the Soviet Union at the start of this year, desperately needs hard currency to import essential products such as refined petroleum products and fertilizer.

An increase in Vietnam's crude oil exports this year has only partly made up for the loss of Soviet assistance.

### Ho Chi Minh City Upgrades Ben Nghe Port

*BK0611142191 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 4 Nov 91*

[Text] According to the plan until the year 2000, the handling of goods in Ho Chi Minh City ports will reach from six to eight million tonnes per year.

In order to support Saigon Port, Ho Chi Minh City has initially invested more than two billion dong to construct Ben Nghe Port which will be able to handle one million tonnes of goods per year.

The fist part of the port construction has been completed and put into operation with a capacity of handling 300,000 tonnes of goods a year.

Ho Chi Minh City decided to allocate a capital investment of more than 11 billion dong to Ben Nghe Port, including more than 10 billion dong of fixed capital investment.

As the first unit of the Ho Chi Minh City Transportation Sector given capital investment to operate, Ben Nghe Port has invested 24 million dong to carry out the second phase of the construction. The second phase consists of building a 150-meter pier with a capacity to receive 18,000-tonne ships, leveling 40,000 square meters of land, upgrading the storage and transport system in the port, and gradually changing the goods handling area to a modern container-handling area.

## Text of Do Muoi Peasants' Meeting Speech 15 Oct

*BK0611041991 Hanoi NHAN DAN in Vietnamese 15 Oct 91 pp 1, 2*

["Text" of address by party General Secretary Do Muoi at 14 October meeting in Hanoi to mark the 61st founding anniversary of the Vietnam Peasants' Association]

[Text] Dear comrades and friends: Today marks the 61st founding anniversary of the Vietnam Peasants Association, which is an important political event in the lives of peasants and other laborers in our country.

The Vietnam Peasants Association came into existence on 14 October 1930 immediately after the founding of the Communist Party of Vietnam [CPV] and rallied the Vietnamese peasantry in the stalwart struggle for national independence and socialism.

Thanks to the party's policy of "national independence and land for peasants," the peasantry's patriotic traditions have been intensified manyfold. Under the leadership of the party and the guidance of the Red Peasants Association and the Anti-Imperialist Peasants Association, peasants repeatedly rose up, first with the Soviet-Nghe Tinh movement from 1930-31 and finally with the uprising in August 1945 which restored power to the people on a nationwide basis.

In the course of the prolonged anti-French war of resistance, the peasantry enthusiastically responded to Uncle Ho's instructions that "everyone should consider fields and gardens as battlefields, hoes and ploughs as weapons, and peasants as combatants" and that "the rear should emulate the frontline," making substantial contributions in terms of manpower and material resources to the success of the war of resistance.

The party's policy of reducing land rent and usury rates as well as its struggle to free peasants from landlords' coercive and exploitive measures and to give them land to till has filled everyone with great joy and has encouraged them to work hard to restore and promote economic development and respond to the agricultural co-operative movement. By following the path traced by the party, peasants in our country have effected many changes for the better and have become the masters of the rural areas.

In the course of the anti-imperialist war of resistance, our Vietnamese peasants continued to uphold their love for the country and revolutionary traditions, greatly contributing to the victory of the struggle for indepedence, freedom, national unification, and transition to socialism on a nationwide basis.

Imbued with a revolutionary impetus following the liberation of the south and responding to party and state policies and lines, our peasants nationwide have enthusiastically participated in the emulation movement to achieve high productivity and to resume production. Continued efforts have been made to implement party policies toward the south. Land has been distributed to poor peasants. Various forms of cooperativization have been adopted step by step to encourage peasants to engage in production and business transactions on a voluntary basis. Initial results have been achieved in creating new material and technical bases in support of agricultural production. Thanks to extensive irrigation work, improvement of impoverished soil, waste land reclamation, introduction of new rice varieties, and intensive farming and multicropping, peasants have been able to generate higher crop yields and more incomes. As a result, progress has been made on the agricultural front throughout the country, particularly in the south.

Since the fifth party congress, particularly since the sixth party congress, the situation has called for efforts to study and promulgate appropriate policies to release production forces and bring into full play the country's potential in all fields. As far as agriculture is concerned, a new mechanism has been set up, first with the Secretariat's Directive 100 and next, with the sixth party Central Committee's Resolution No. 6 and the Political Bureau's Resolution No. 10, firmly establishing the peasant household as an autonomous economic unit in the countryside, promoting the development of the multisectorial economy, and securing free goods circulation in accordance with the law. Peasants throughout the country have responded to those directives and resolutions with much enthusiasm and have upheld the spirit of self-reliance and self-sufficiency in exploiting all potential in terms of labor, land, forest, and sea resources. They are also responding by developing our country's agriculture a step further in the direction of promoting comprehensive agricultural development and linking it with the processing industry. Another sign of their response is the gradual changing of a self-sufficiency agriculture into a commodity-oriented agriculture.

The end result is that over the past several years, agricultural production has developed vigorously. Instead of importing food as we used to do in the past, now we are able not only to meet the national demands for grain and food but also to set aside part of our grain and food for export purposes. Both short- and long-term crops have developed, meeting part of the demands for raw materials for industrial production. Considerable progress has been recorded in fisheries and aquaculture. The development of a commodity-oriented agriculture is gaining momentum in many parts of the country, especially in the south. Generally speaking, except for a number of localities that still experience difficulties, the living conditions of peasants have been markedly improved. Our party and people take great pride in Vietnamese peasants and highly value their role in the task of building and defending the fatherland.

In serving that great cause, the Vietnam Peasants Association, which has been given different names depending on different development stages, has satisfactorily fulfilled its duties, has always proved itself to be the representative of the peasantry's legitimate interests, and has helped make peasants understand and act in line with the party's lines. The Peasants Association is a firm bridge linking the peasantry with the party, a reliable prop for the people's administration in the countryside, and a venue for rallying the great, powerful strength of the peasantry in support of the worker-peasant-intelligentsia alliance.

On the occasion of this glorious traditional day, on behalf of the CPV Central Committee, I would like to warmly welcome and commend peasants and the Vietnam Peasants Association for the meritorious services they have rendered and for the very important contributions they have made to the revolutionary undertaking for more than half a century now.

Dear comrades and friends, our entire party and people are striving to quickly apply the contents of the seventh party congress resolution to life under extremely complicated circumstances. The congress has set forth the general objectives of the next five years as follows: It is necessary to overcome difficulties and challenges, stabilize and promote socioeconomic development, consolidate political stability, push back negativism and social unjustice, lead our country out of the current crisis, and advance toward socialism step by step.

To achieve those strategic objectives, it is of primary importance to vigorously develop agricultural, forestry, and fishery production and link it with the processing and service industries as well as to comprehensively promote the rural economy and build a new countryside so as to stabilize the socioeconomic situation and create the conditions and premises for national industrialization. As far as agricultural production is concerned, it is important to focus on the grain and food products program, effectively meet domestic demand, and generate large volumes of export products, especially rice and animal feed. Efforts must be made to develop long- and short-term industrial crops on a large-scale basis in order to supply materials to the export products processing industry and reduce the need for imported materials. Steps must be taken to comprehensively exploit the sea economy, aquaculture, fisheries, and the marine products processing industry, especially those products with high export potential. Plans must be worked out to develop the forest economy, promote afforestation and tree-planting in wasteland and hilly areas, increase the efficiency of forest exploitation and utilization, and protect natural resources and the environment.

It is important for all echelons, sectors, and people in the entire country, first of all, the peasantry, to keep the development of the agricultural, forestry, and fishery production and the rural economy in line with the above-mentioned orientations; gradually build a new economic structure in the countryside; effect labor redistribution; resolve the unemployment problem; and help peasants generate more income and improve their living conditions.

In the past years, the campaign to motivate peasants to increase production and practice thrift according to the new mechanism of agricultural management has vigorously developed the great latent potential of peasants. The achievements in the production of grain, food products, and agricultural exports are very encouraging. The Peasants Association should review and disseminate the experiences of this emulation movement, continue to promote the spirit of self-reliance and self-sufficiency of tens of millions of peasants, and strive to attain the agricultural objectives set in the seventh party congress resolution in order to produce 30 million tonnes of grain and double the total volume of social production by the end of this decade.

We advocate the policy of developing peasants' family-based economy. At the same time, we must continue to renovate the mechanism to enable agricultural cooperatives to raise their management standards and satisfactorily perform those tasks that individual peasants' households either have no conditions to assume or have done ineffectively. We must encourage the expansion of various forms of voluntary economic cooperation among peasants and ensure that peasants are active in the course of production to develop the strengths of each peasant's household while promoting the strengths of collectives, especially in those tasks such as technical support services, credit, product consumption, and supply of means in support of production and every day activities, thereby creating an aggregate strength to promote the comprehensive development of agriculture.

On the basis of vigorously developing agricultural, forestry, and fishery production in connection with the consolidation and expansion of various forms of voluntary cooperation among peasants, we should, on the one hand, encourage good peasants' households to invest in developing production and business operations and to

enrich themselves legally, and on the other hand, accelerate the movement of solidarity and mutual support and assistance in rural areas, creating conditions for everyone to surge forward and then, step by step, actually reduce the number of poor households in the countryside.

Agriculture, water conservancy, industry, trade, marketing cooperatives, credit, banking, and other sectors should look to the countryside to effectively serve peasants and agricultural production; promptly meet the requirements of production and life of peasants; increase the percentages of goods for agriculture; raise the purchasing power of peasants; create a broad, abundant, and diverse domestic market; and drastically promote our country's economic growth.

Scientific and technical sectors should direct their activities toward rural areas to meet the needs of our agriculture which is rapidly shifting to commodity production with high productivity, quality, and effectiveness to fulfill the demands for domestic consumption and export.

Along with economic development, we should continue to accelerate the movement to build new rural areas; establish insurance and pension funds; build houses, schools, dispensaries, water wells, public sanitation facilities, roads, and radio networks; strive to gradually bring electricity to the countryside; and so forth. We must struggle against corruption, implement democracy and social justice, strengthen solidarity, cultivate a sense of community to help and protect one another in dire straits, build new cultural families, raise the people's intellectual and health standards, get rid of illiteracy, and implement compulsory primary education. The birth rate in rural areas is still too high compared to the general birth rate. Therefore, we must pay special attention to implementing policies on population growth and family planning; assure public security, order, and safety; oppose superstition, alcoholism, and gambling; make rural areas a sound and healthy place; create an impetus to accelerate economic development; and make worthy contributions to national construction and defense.

In the present social production, we should correctly realize the close relationships between agriculture and industry; between agro-industry and service; and among workers, peasants, and intellectuals. Each product—either industrial or agricultural—is the common achievement of workers, peasants, and intellectuals. As a result, while the abilities of the whole country and various sectors are being mustered for the benefit of agriculture, peasants themselves should clearly realize their duties.

First of all, they must make contributions to the state in accordance with established policies and laws. It is their duty to create an ever more abundant source of raw materials to meet the requirements of developing industries, primarily the industry to process agricultural, forestry, and maritime products. It is their duty to ensure the supply of grain and food products to workers and people in cities and industrial complexes, fulfilling the responsibility of agriculture to industry and the peasants' responsibility to the people countrywide. This is the very economic base for consolidating and strengthening the alliance of workers, peasants, and intellectuals in our country.

The people countrywide, first of all peasants, must consider every inch of land as an inch of gold in order to manage and use land, forests, seas, plants, and all sources of living things and water in a very economical, rational, and effective manner because these extremely valuable resources are feeding us. In the course of exploitation, we must emphasize the nurturing of land, prevent its erosion and depletion, and make land ever richer and more fertile. We must prevent cultivated land, especially acquired and agricultural land, from turning into residential land. We must attentively make forests and seas ever richer, and must necessarily not allow these resources to become exhausted because it will bear adverse impact on the ecological environment and living conditions of not only our present generation but also our children's generations in the future.

This is the very pressing and fundamental duty of the whole country, the responsibility of party organizations and the administration at all levels—primarily at grassroots level in rural areas. It is the Peasants Association and the peasants themselves who are vested by the state and the people with the right to directly use this extremely important resource.

To meet the requirement of mobilizing peasants in the present stage, the Peasants Association must struggle to surge forward in many respects according to Resolution 8 (VI tenure) and the seventh party congress resolution.

First, the organization of peasants and the procedures for mobilizing them must be renovated to suit the new situation so that we can broadly muster, educate, and mobilize the people to implement the party lines, policies, and tasks, as well as the state law. At the same time, we must attend to the peasants' legitimate interests. On behalf of the peasants, the association is dutybound to participate in state management by actively contributing its views to the lines and policies of the party and state, and by detecting and reporting errors and shortcomings in institutions, laws, lines and policies, and malpractices of cadres and state personel—which jeopardize the common interests of society and the legitimate interests of peasants, and weaken the worker-peasant-intellectual alliance—to the party and state so that timely corrective and remedial action can be taken.

Secondly, the contingent of association cadres must be renovated to enable cadres to perform the task of mobilizing peasants under the conditions of a multisectorial economy and the market mechanism. Prompt action must be taken to conduct basic and advanced training for the association cadres so that they posses ability, good quality, zeal, and confidence; understand how to

mobilize and organize peasants to work in production and business and to apply scientific and technological innovations in order to increase productivity, quality, and efficiency; and struggle for the people's prosperity and the country's power.

Thirdly, peasants are of many different nationalities and religions. They live in areas of different ecological environments, belong to various economic sectors and trades, and possess different customs, mores, and psychological make-up. As a result, only by looking to the grass-roots level and staying close to its members can the association be aware of the thoughts and aspiration of peasants and through the revolutionary movement of the peasants themselves resolve the problems raised by peasants in a manner suitable to each locality, at a given moment and for each nationality, each religion, each economic sector, and each trade.

Dear comrades and friends, the revolution is an undertaking of the people. The relationship between the party and the people is a matter of life and death for the revolution. As a result, we must continually consolidate and strengthen the flesh-and-blood relationship between the peasants and the party. Each party member in a rural area, no matter in what position, should participate in the activities of the Peasants Association, set examples of good ethics and respect for the state law, correctly implement his citizens' rights and duty, and struggle to enrich himself and society. Together with the Peasants Association at the grass-roots level, we must care for the peasants' legitimate rights while conducting educational propaganda to make peasants clearly understand and satisfactorily solve problems in their production and lives. Party committees in rural areas should fully develop the role of the Peasants Association, rely on it, and through it organize the implementation of the party lines and policies. Party committee echelons must periodically listen to the Peasants Association report on the results of its activities, set forth guidelines and tasks, correct errors, and concretize the party lines and policies into the action programs of the peasants' association and other mass organizations. We must resolutely purify and enhance the quality of party members in rural areas and expel corrupt, degenerate, and deviant members who enjoy privileges and prerogatives while oppressing peasants. We should consolidate peasants' confidence in the party.

Our administration is of the people, by the people, and for the people. As a tool of the people, it is responsible to the people and is vested by the people with the right to comprehensively manage social life. The administration can only be efficient when we rely on the people and genuinely guarantee the people's right to mastery through various mass organizations. As a result, the administration at all levels in rural areas must create conditions for bringing into full play the role of mass organizations and the people's right to mastery in the management of all aspects of social life in rural areas.

Dear comrades and friends!

On the occasion of the 61st anniversary of the Vietnam Peasants Association, I wish that the peasantry and the Peasants Association in our country will continue to develop their glorious traditions, relentlessly struggle for the success of renovation, vigorously accelerate the movement for revolutionary acts, translate the seventh party congress resolutions into realities, advance our country along the path chosen by the party and our Uncle Ho and people, and build a socialist, civilized, prosperous, and beautiful countryside in Vietnam.

## VNA Reviews Hanoi Newspapers for 6 Nov

*BK0611081591 Hanoi VNA in English 0600 GMT 6 Nov 91*

[Text] Hanoi VNA November 6—Pride of place in the Hanoi newspapers today is given to illustrated reports on the arrival in Beijing in the afternoon of Nov. 5 of a high-level Vietnamese delegation led by Party General Secretary Do Muoi and Premier Vo Van Kiet for a 5-day official visit to China, and on their talks later in the day with their Chinese counterparts, Jiang Zemin and Li Peng. In the evening a banquet was given in the honour of the Vietnamese delegation, the papers report.

On this occasion, the national newspaper NHAN DAN and the army paper QUAN DOI NHAN DAN run editorials describing the visit as an important significance in the normalization of the Sino-Vietnamese relations.

The papers report that First Vice-chairman of the Council of Ministers Phan Van Khai received in Hanoi yesterday a visiting delegation of the French Bank Indosuez led by First Vice-president Pierre Strub.

Indonesian Minister of Forestry Hasjruk Harahap is on a working visit to Vietnam to look into possibilities to step up the cooperation between the forestry sectors of Indonesia and Vietnam, the papers report.

They report that Finnish Ambassador Kai Olof Granholm yesterday presented his credentials to State Council Vice President Nguyen Huu Tho, and that the Journalists' Associations of Vietnam and Afghanistan signed here yesterday a cooperation agreement for the 1991-94 period.

The papers carry a report from the Ministry of Agriculture and Food Industry saying that northern provinces yielded more than 4 million tons of paddy on nearly 1.3 million hectares of rice fields of the winter crop, the record figures in terms of acreage, yield and output so far.

They reproduce SPK reports on activities of the U.N. mission in Cambodia and on the privatistion of some 22 state-run enterprises in the country recently.

On international affairs NHAN DAN runs an article analysing obstacles to the Madrid peace conference for the Middle-East.

## Australia

### Data Show Unemployment Rate Falls Slightly

*BK0711043491 Hong Kong AFP in English 0324 GMT 7 Nov 91*

[Text] Sydney, Nov 7 (AFP)—The Australian Government received a welcome boost with the release Thursday of data showing the unemployment rate fell to 10.1 per cent in October after reaching an eight-year high of 10.2 per cent in September. The latest figure, which represents a total of 859,900 people out of work in seasonally adjusted terms, compares with 7.7 percent or 652,400 people unemployed in October last year.

Australian Bureau of Statistics (ABS) figures show 18,900 jobs disappeared during October. The number of people looking for work also fell by 12,200 mainly because of women giving up the search for part-time jobs. The bureau said the underlying trend for full-time employment continues to be one of weak growth.

The trend estimate of the unemployment rate has increased by 0.1 percentage points each month for the past four months, which is a slow rate of increase than for the early part of 1991. Teenage unemployment remained high, at 28.4 per cent, although the ABS figures suggest employment at least for 15-19 year old males may be stabilising if not for teenage females.

The recession-induced increase in numbers on unemployment benefits slowed during the month with an increase of only 2,008 or 0.3 per cent in the numbers on government income support schemes for the unemployed. Social Security Department figures showed 720,754 receiving unemployment benefits October, compared to 718,748 in September.

### No-Confidence Motion Launched Against Hawke

*BK0711101691 Hong Kong AFP in English 0947 GMT 7 Nov 91*

[Text] Canberra, Nov 7 (AFP)—The conservative opposition used employment data released Thursday to launch a motion of no confidence in Prime Minister Bob Hawke, claiming his government is preoccupied with only one job—his.

The motion followed renewed squabbling in government ranks over the leadership of the governing Labor Party, with hints of another early challenge by Hawke's former deputy and treasurer Paul Keating. One senior party powerbroker, Social Security Minister Graham Richardson said: "I think the prime minister is well in command, well in front and there'll be no losing challenge."

The remark by Richardson, a key Keating supporter, appeared to most observers in and outside the government to be a signal to fellow Keating supporters that another challenge is likely and must succeed. Squabbling between rival party factions was so heated during the day that the party president Steven Loosley appealed for discipline, criticising Richardson's comments and describing the latest flare-up as a "a most damaging episode."

The row coincided with the release of data showing unemployment had dropped from 10.2 percent in September to 10.1 percent in October, although the government and most economists predict it will rise again. Moving his no-confidence motion, opposition leader John Hewson said despite another unemplonnt figure in excess of 10 percent, the government was totally preoccupied with one job, that of leader of the Labor Party.

He said with more than one million Australians out of work, the government was in "a total shambles" because of the leadership tussle. The brawling had degenerated into open hand-to-hand warfare with members of both camps attacking each other, Hewson said. "The halls are alive with members running around trying to get the numbers," he told the parliament.

Hewson accused Hawke of being weak and indecisive and said he was increasingly unable to hold together a divided caucus. The motion of no confidence, intended to focus public attention on the issues embarrassing to the government of unemployment and leadership, was defeated on party lines as expected by 71 votes to 64.

The unemployment figure, which represents a total of 859,900 people out of work in seasonally adjusted terms, compares with 7.7 percent or 652,400 people unemployed in October last year. Australian Bureau of Statistics (ABS) figures show 18,900 jobs disappeared during October. The bureau said the underlying trend for full-time employment continues to be one of weak growth. Teenage unemployment remained at 28.4 percent.

### Sydney Asked To Raise East Timor Rights Issue

*BK0511045291 Hong Kong AFP in English 0440 GMT 5 Nov 91*

[Text] SYDNEY, Nov 5 (AFP)—The Australian government should use a visit by Indonesian armed forces chief General Try Sutrisno to raise the issue of human rights abuses in East Timor, Amnesty International said here Tuesday. Australian campaign director Andre Frankovits said that Try, mentioned as a potential successor to President Suharto, "is a very influential person in Indonesia."

"It is certainly our hope that the Australian government will take this opportunity to raise with the general its concerns about human rights in Indonesia generally and specifically its concerns about the recent events in East Timor," he said.

Amnesty said on October 28 it had received reports that Indonesian troops stormed a Catholic church in Dili, East Timor, and killed two unarmed men seeking refuge there. Portuguese-held East Timor was invaded by Indonesia in 1975 and unilaterally annexed the following year.

Try, who arrived Tuesday, is on an informal three-day visit, and is to meet his Australian military counterpart Peter Gration, Defence Department head Tony Ayres, Defence Minister Robert Ray and Prime Minister Bob Hawke. Frankovits said Amnesty had been told Try was "too busy" to meet its representative. "It's our information that unfair political trials, detention of prisoners of conscience and the use of torture takes place all over the Indonesian archipelago and in East Timor," he said.

Frankovits said the issue was particularly important now that Indonesia had taken a seat on the United Nations Commission on Human Rights at a time when it heads the Non-Aligned Movement. "There are added imperatives on it to show that it is committed to defending human rights throughout the world," he said, adding: "It also needs to show to the international community that it respects human rights within the archipelago."

Frankovits said that senior Jakarta officials view Amnesty as "anti-Indonesian" because of its criticism, which the human rights organisation denies. "Amnesty International has for a number of years been trying to establish a dialogue with the Indonesian government at a high level," Frankovits said. "But so far, although there have been indications there is a certain amount of interest in this, it hasn't been translated into action," he said.

## Malaysian Diplomat Interviewed on Refugee Film

*BK0411122391 Melbourne Radio Australia in English 0803 GMT 4 Nov 91*

[From the "International Report" program]

[Text] Malaysia's high commissioner in Canberra has said that the Australia film, "Turtle Beach," could be banned in his country. The film contains reenactments of the ethnic riots of 1969 and scenes which show Malaysian villagers massacring Vietnamese boat people. The high commissioner, Abdul Karim Marzuki, said the scenes are historically inaccurate, and he predicts that his prime minister Dr. Mahathir will see red when he views the film. However, Mr. Marzuki does concede that he cannot rule out the possibility that the killings portrayed in the film may have been carried out by Malaysian villagers.

Relations between Canberra and Kuala Lumpur have already been strained by an Australian television series "Embassy," supposedly set in a fictitious Asian country. High Commissioner Marzuki told Maxine McQue, that "Turtle Beach" wiil be seen by Malaysia as merely a minor irritant in bilateral relations.

[Begin recording] [Marzuki] Well, I must say that in the early years when Vietnamese illegal immigrants started arriving on our coast in hoards, we were not prepared for it. So, there may have been incidents like this.

[McQue] You are saying, Sir, given the, I suppose, Malaysians in many cases understandably [words indistinct] resentment toward the hoards of boat people who were coming in, there could have been isolated incidents of massacre?

[Marzuki] I said there could have been but there have been no reports of this, and this is something confirmed by UNHCR [UN High Commissioner for Refugees] office itself. But, of course, more well-documented are the incidents of rape, pillage, killing, and drowning of these boat people in the high seas; that is well- documented. I thought the film producer would use that rather than such incidents which are not confirmed, supposed to have happened, and executed by the so-called Malaysian villagers.

[McQue] Sir, would you deem this film then to be historically inaccurate?

[Marzuki] From the facts we have, yes, I would say so. But then the fate of the film itself, I do not want to predict this. Of course, we have our national film censor board, if the film is ever to be screened in Malaysia, whoever is the distributor has to have the film to go through the National Censor Board.

[McQue] You say... [changes thought] is it likely the film would be banned in Malaysia?

[Marzuki] I do not want to predict this, but we do ban films when we think it is not for the interest of Malaysian public, to have it screened in Malaysia.

[McQue] Coming so soon after the "Embassy" series, Sir, do you think this will perhaps put a further strain on relations between Malaysia and Australia?

[Marzuki] There could be some remarks from across the two countries over this...

[McQue] Australian remarks?

[Marzuki] Hopefully, after the explanation by Mr. Hawke, how he feels... [changes thought] I mean for Mr. Hawke to forewarn Dr. Mahathir, he foresees already that some segments of the film may anger Dr. Mahathir. But, I cannot predict how he will feel when he really sees the film, whether he will see red. He will see plenty of red the way the film has been made in terms of dramatic scenes over the riot and the massacre. Whether Dr. Mahathir himself will see red I cannot predict that, but certainly he will not take it with a smile. This is because of the fact that such happening has not been confirmed in Malaysia.

[McQue] Sir, if I can ask you this, as you know in some quarters in this country the recent efforts by Senator Gareth Evans and by Mr. Hawke, to smooth over relations with Malaysia, that has attracted criticism along the line that it has been a groveling, kowtowing effort, what do you think of those comments?

[Marzuki] The comments are made by your own journalists and your own radio people. I have nothing further to say on that. [end recording]

## Cook Islands

### Prime Minister To Maintain Nuclear-Free Stance

*BK0711072491 Melbourne Radio Australia in English 0500 GMT 7 Nov 91*

[Text] The prime minister of the Cook Islands, Geoffrey Henry, says his country will maintain its nuclear-free policy even though it is drawing closer to France. The Cook Islands and France recently signed loan agreement for the upgrading of the water supply in the capital, Rarotonga. The PACIFIC NEWS SERVICE, PAC NEWS, reported the Cook Islands is seeking a further loan from France to upgrade the water supply in the rest of the islands.

Sir Henry said the loans will have no effect on his country's nuclear-free stance, which he has maintained since 1965.

### Government Signs Cooperation Accord With France

*BK0711104091 Hong Kong AFP in English 1008 GMT 7 Nov 91*

[By Barbara Dreaver]

[Text] Avarua, Nov 6 (AFP)—The Cook Islands will make a major financial shift away from New Zealand aid in favour of closer ties with France, despite its opposition to French nuclear testing in the region, Prime Minister Geoffrey Henry revealed Thursday.

He claimed something "is drastically wrong" with New Zealand aid and he was impressed with France after meeting Prime Minister Edith Cresson in Paris last month. His remarks came in an interview published Thursday in the daily Cook Islands News.

If Henry delivers on his plans for closer French ties it will represent a major diplomatic blow for New Zealand and a big shift within the South Pacific Forum of which the Cooks is a founding member.

The Cooks, officially "self governing in free association with New Zealand," is next to, and shares kinship ties with French Polynesia. Henry underlined this by saying he wanted French language television from Papeete and French to be taught here. Already his son Alex, a diplomat, is in France learning French along with one of the prime minister's top aides.

New Zealand provides the Cooks with six million New Zealand dollars (3.3 million U.S.) annually in budget support but this is being reduced each year by 400,000 dollars (223,880 U.S.) to zero by 2007. Henry said New Zealand aid had done nothing to solve problems in the Cooks.

"Something is drastically wrong in the system of things, in the manner in which we receive aid and the manner in which we apply that aid," he said. The aid, he said, came in in dribs and drabs. "You're never able to get enough to attack the problem in one year."

He gave as an example the upgrading of Avatiu Harbour here which had been going on for several years and was still incomplete because of a lack of aid. Problems, such as with water supplies, still dogged the country despite 26 years of aid, Henry said. He said he and Cresson had signed a friendship and cooperation agreement and this signalled new directions for the Cooks.

French nuclear testing in the Pacific would not deter his country from a closer relationship with Paris, he said. "We've told the French authorities our opposition to France's nuclear program but that has not affected the development of a better working relationship between this government and the French government." He said France's bad image in the Pacific may have prompted it to be more friendly than it would have been otherwise.

As a result of discussions in Paris, France will give the Cooks three power generators not currently being used in Tahiti.

Henry said he was interested in receiving French television as part of an overall program to developing closer relations and wanted to start up an international language school in Rarotonga which would include French. The Cooks currently receive a service from Television New Zealand. He also wanted France to send experts to the Cooks to assist with harbour development on outer islands. The current dependence on New Zealand for medical assistance could change with emergency cases instead going to Tahiti, Henry said.

He said he would also be pushing to have French Pacific territories initially included as observers in the South Pacific Forum, and hopefully they could later become full members. A joint commercial commission could also be established, he said, suggesting a free trade area encompassing French Pacific territories and the Cooks.